

Exhibit 1

Part B

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205	<p>1 go to.</p> <p>2 Q Before or after the closing?</p> <p>3 A I don't -- I would assume after.</p> <p>4 Q Was there any --</p> <p>5 A I don't think --</p> <p>6 Q Was there any representation about Siemens'</p> <p>7 revenue beyond the \$25,000 that you talked about</p> <p>8 repeatedly?</p> <p>9 A Yeah, I mean, I was -- my recollection, our</p> <p>10 meetings, we were -- Adil was pretty bullish on the</p> <p>11 fact that he thought that we could sell our technology</p> <p>12 into Siemens. Looking -- I don't think that I -- like</p> <p>13 I said, I will check my calendar but I don't think I</p> <p>14 attended this June 26th open house.</p> <p>15 Q But other than the \$25,000, you're not aware</p> <p>16 of any other Siemens purchase orders?</p> <p>17 A Correct.</p> <p>18 Q Do you recall having discussions with</p> <p>19 Mr. Shafi about hiring certain personnel to work for</p> <p>20 the combined entities after the closing?</p> <p>21 A Yes.</p> <p>22 Q Who was Elsie White? Who is, I should say.</p>	207	<p>1 Q Did she have a particular specialty that you</p> <p>2 were aware of?</p> <p>3 A I think government. But she didn't want to</p> <p>4 commute.</p> <p>5 (Deposition Exhibit Number 16 was marked for</p> <p>6 identification.)</p> <p>7 BY MR. MURPHY:</p> <p>8 Q I'm showing you what's been marked as</p> <p>9 Exhibit 16.</p> <p>10 A Thank you.</p> <p>11 Q You knew that around this time frame, and</p> <p>12 I'm talking about late May 2008, that Adil was</p> <p>13 communicating on a regular basis with Jim Dara?</p> <p>14 A Is that a question?</p> <p>15 Q Yes.</p> <p>16 A I mean, I don't -- I don't know that</p> <p>17 specifically. I don't know how often they</p> <p>18 communicated. They were both trying to figure out</p> <p>19 their own sales, his, Shafi, and Jim, Braintech's.</p> <p>20 Q And I thought you testified earlier that</p> <p>21 there was a lot of interaction between Mr. Dara and</p> <p>22 Mr. Shafi regarding sales of the combined --</p>
206	<p>1 Sorry.</p> <p>2 A I believe that's a woman from, and I can</p> <p>3 never pronounce this correctly, so excuse me, Hooton,</p> <p>4 Hoeton, Houghton, Michigan who Shafi, Adil was just</p> <p>5 panicked over hiring. And I thought -- I think that</p> <p>6 she was going to be involved in our government</p> <p>7 business.</p> <p>8 Q Did she ever get hired by the combined</p> <p>9 entity?</p> <p>10 A I don't believe so because -- and I'm not</p> <p>11 sure whether we made her an offer or not. I would</p> <p>12 have to check the record, J.P. But my recollection is</p> <p>13 this, that we offered her the job in Detroit because</p> <p>14 we didn't have any employees out in upper Michigan.</p> <p>15 And so I -- I believe we offered her a position and a</p> <p>16 job in Detroit. And I think that she insisted that it</p> <p>17 be elsewhere.</p> <p>18 And so in talking with the team that she</p> <p>19 would work with, I think the consensus was that it</p> <p>20 really didn't make sense to spend precious resources</p> <p>21 to hire someone that was going to be 3 hours away or</p> <p>22 however many hours away it was.</p>	208	<p>1 A Yeah, but this goes all the way back to May.</p> <p>2 This, what you just handed me, Exhibit 16. I don't</p> <p>3 know at that point. I mean, I just...</p> <p>4 I know for a while they were joined at the</p> <p>5 hip. And Jim has an excellent November e-mail that</p> <p>6 memorialized his experience with Adil.</p> <p>7 (Deposition Exhibit Number 17 was marked for</p> <p>8 identification.)</p> <p>9 BY MR. MURPHY:</p> <p>10 Q This may have been marked as a part of</p> <p>11 another exhibit, but it was attached to the e-mail</p> <p>12 that was marked Exhibit 7 -- Exhibit 16.</p> <p>13 A Uh-huh.</p> <p>14 Q And in fact I asked you questions about</p> <p>15 what's your understanding of a forecast.</p> <p>16 A You did.</p> <p>17 Q I also asked you questions about assumptions</p> <p>18 and discussion points.</p> <p>19 Did you understand that, in order to obtain</p> <p>20 government contracts, that Shafi would have to</p> <p>21 undertake some review process by the appropriate</p> <p>22 governmental entities before it could be awarded a</p>

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209	<p>1 government contract?</p> <p>2 A I don't even know what that means, what you</p> <p>3 just said.</p> <p>4 Q What is your understanding of HubZone</p> <p>5 status?</p> <p>6 A Yeah, I think we had a HubZone status right</p> <p>7 here. You want me to define it for you? I don't know</p> <p>8 if I can.</p> <p>9 Q No.</p> <p>10 A Thank you.</p> <p>11 Q Let's skip over that. Did Mr. Shafi ever</p> <p>12 make representations to you that the achievement of</p> <p>13 HubZone status or location of Braintech in a HubZone</p> <p>14 area would help him make sales?</p> <p>15 A It -- yes. He did represent that.</p> <p>16 Q And wasn't that a condition or an assumption</p> <p>17 to many of the forecasts that he gave you?</p> <p>18 A Our obligation, clearly articulated in our</p> <p>19 transaction documents, our obligation to be up there</p> <p>20 in Houghton, upper Michigan, was not until I think it</p> <p>21 was late 2009.</p> <p>22 Q My question was different.</p>	211
210	<p>1 A I'm sorry.</p> <p>2 Q My question was, was location in a HubZone</p> <p>3 status one of the assumptions behind the sales</p> <p>4 forecast?</p> <p>5 A You'd have to --</p> <p>6 MR. GREEVES: This sales forecast or just</p> <p>7 generally?</p> <p>8 MR. MURPHY: Generally.</p> <p>9 THE WITNESS: You would have to ask Jim</p> <p>10 and/or Adil what they put -- what they assumed when</p> <p>11 they produced their sales forecasts.</p> <p>12 BY MR. MURPHY:</p> <p>13 Q So you have no knowledge or understanding of</p> <p>14 what sort of requirements Adil Shafi and Jim Dara</p> <p>15 would need to achieve the forecasts as represented in</p> <p>16 various documents regarding Shafi revenue?</p> <p>17 A Well, as they were -- I mean, as they were</p> <p>18 careful to delineate here in this exhibit that you are</p> <p>19 referring to, Exhibit 17, they put assumptions and</p> <p>20 discussion points.</p> <p>21 I don't know which of these assumptions they</p> <p>22 put into the forecast. I'm not the author of this</p>	212

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213	<p>1 anytime, you know, you rent a space for these</p> <p>2 purposes, it's going to take a while to negotiate the</p> <p>3 lease and also build out the space for our robotic</p> <p>4 laboratory, which is what our Michigan office is all</p> <p>5 about.</p> <p>6 So, you know, I would have to check the</p> <p>7 record, but sometime in the fall of '08 we signed the</p> <p>8 lease. And then we spent time building the</p> <p>9 laboratory. And then we spent time hiring sales</p> <p>10 executives. And that was all under the control of Jim</p> <p>11 Dara.</p> <p>12 Q In the final evolution of the acquisition of</p> <p>13 Shafi, it's true that that office was supposed to be</p> <p>14 opened in September of 2008, correct?</p> <p>15 A I think that was -- you know, that was the</p> <p>16 intent.</p> <p>17 Q Well, that was stated in writing; true or</p> <p>18 false?</p> <p>19 MR. GREEVES: Object to the form of the</p> <p>20 question. It assumes facts.</p> <p>21 THE WITNESS: I mean, I don't know -- you</p> <p>22 know, I don't know how it was stated or whatever you</p>	215	<p>1 A That was the responsibility of Adil and Jim</p> <p>2 to do.</p> <p>3 Q Who signed the lease --</p> <p>4 A Location --</p> <p>5 Q -- when it was signed in December of 2008?</p> <p>6 A I'll have to check that. It was either</p> <p>7 myself or Jim Dara.</p> <p>8 Q You knew that Shafi's software did not run</p> <p>9 on ABB robots; true or false?</p> <p>10 A Can I -- can I go back one question, J.P.?</p> <p>11 Q Yeah, sure.</p> <p>12 A What date -- what date did you say we signed</p> <p>13 the lease?</p> <p>14 Q You said it was signed in December of 2008.</p> <p>15 A I thought it was fall of 2008. Okay. I</p> <p>16 thought you just spouted a date and I missed it.</p> <p>17 Okay. We can check that record. I'm sorry.</p> <p>18 Question?</p> <p>19 Q You knew that Shafi Reliabot software didn't</p> <p>20 run on ABB robots; true or false?</p> <p>21 A No. We were led to believe that Reliabot</p> <p>22 software runs on every robot. And that's well</p>
214	<p>1 want to color it, but that was clearly the intent.</p> <p>2 BY MR. MURPHY:</p> <p>3 Q Two items down, or actually the next item,</p> <p>4 "timely acquisition of necessary hardware for metro</p> <p>5 Detroit office." That would have coincided with an</p> <p>6 opening of a metro Detroit office, correct?</p> <p>7 A Which number are you on?</p> <p>8 Q Right below opening of a metro Detroit sales</p> <p>9 office.</p> <p>10 A I mean, we already had ABB robots, right?</p> <p>11 So I don't know what it means about timely</p> <p>12 acquisition. We had -- we had four robots in</p> <p>13 Vancouver that we moved to Detroit.</p> <p>14 Q But they didn't --</p> <p>15 A So I don't --</p> <p>16 Q But they didn't come to Detroit at any time</p> <p>17 during Mr. Shafi's employment, did they?</p> <p>18 A No. Because unfortunately we didn't have an</p> <p>19 office space open. But we had them all up in</p> <p>20 Vancouver.</p> <p>21 Q What action were you undertaking in</p> <p>22 September of 2008 to open an office in Detroit?</p>	216	<p>1 documented in several places.</p> <p>2 (Deposition Exhibit Number 18 was marked for</p> <p>3 identification.)</p> <p>4 BY MR. MURPHY:</p> <p>5 Q I'm showing you what we've marked as</p> <p>6 Exhibit 18.</p> <p>7 A Thank you.</p> <p>8 Q This is another one of many e-mails that you</p> <p>9 received from Mr. Shafi. Do you recall it?</p> <p>10 A Do you have my response to this?</p> <p>11 Q I get to ask the questions today.</p> <p>12 A Okay. Thank you.</p> <p>13 Q Before I ask about Number 18.</p> <p>14 A Yes.</p> <p>15 Q During Mr. Shafi's entire tenure as the COO,</p> <p>16 there was never an office opened in Detroit; true or</p> <p>17 false?</p> <p>18 MR. GREEVES: Object to the form of the</p> <p>19 question.</p> <p>20 THE WITNESS: True. But that -- what does</p> <p>21 that matter?</p> <p>22 BY MR. MURPHY:</p>

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217	<p>1 Q I get to ask the questions.</p> <p>2 A Okay.</p> <p>3 Q During the entire time of Mr. --</p> <p>4 A He --</p> <p>5 Q -- Shafi's --</p> <p>6 MR. GREEVES: Let him ask his question.</p> <p>7 BY MR. MURPHY:</p> <p>8 Q I'll start over.</p> <p>9 A Sorry.</p> <p>10 Q During the entire time Mr. Shafi was COO at</p> <p>11 Braintech, there was never any equipment available in</p> <p>12 the United States for him to run Reliabot software on</p> <p>13 for purposes of demonstration; true or false?</p> <p>14 A False.</p> <p>15 Q Where was that equipment located?</p> <p>16 A At ABB.</p> <p>17 Q Was Mr. Shafi --</p> <p>18 A I think there was also at Kawasaki -- there</p> <p>19 were a couple of installations he could have easily</p> <p>20 gone to or brought customers to.</p> <p>21 Q During the entire period of Mr. Shafi's</p> <p>22 tenure as chief operating officer, there was never any</p>	219	<p>1 combined entities at this point in time.</p> <p>2 THE WITNESS: Yeah, I, too, I mean, I think</p> <p>3 I had mentioned this before. I mean, there was a</p> <p>4 \$900,000 government order that was looming over our</p> <p>5 head, number 1. And number 2, you know, I'm not</p> <p>6 sure -- this was May 30th, 2008. We hadn't even</p> <p>7 signed our -- we hadn't even signed our LOI yet. So</p> <p>8 why is he -- I mean, why is he sending me stuff like</p> <p>9 this? I mean, I can't -- I can't manage his business</p> <p>10 for him at this point. This is his business, not</p> <p>11 mine, to manage. I didn't have any authority to make</p> <p>12 decisions. For this reason we need so-and-so in the</p> <p>13 HubZone? That's not my decision.</p> <p>14 BY MR. MURPHY:</p> <p>15 Q Whose decision would it be?</p> <p>16 A This is -- J.P., this is May 30, 2008, we</p> <p>17 haven't even signed a letter of intent yet.</p> <p>18 Q Wasn't this part of the discussions as to</p> <p>19 what Mr. Shafi needed to support a sales effort?</p> <p>20 A We were talking -- at this time we were</p> <p>21 talking about the partnership and the enhanced egg.</p> <p>22 And in June, it was decided that that was</p>
218	<p>1 training made available for Reliabot software?</p> <p>2 A Well, two things there. We trained on --</p> <p>3 Q Yes or no?</p> <p>4 THE WITNESS: I --</p> <p>5 MR. GREEVES: These are not fill in the</p> <p>6 blank answers, counsel.</p> <p>7 THE WITNESS: Two, we did plenty of training</p> <p>8 on eVF. And through evaluation reports and a lot of</p> <p>9 information once we got ahold of the technology, it</p> <p>10 was told to me that you can't train anybody in</p> <p>11 Reliabot. And I will leave the experts to address</p> <p>12 that.</p> <p>13 BY MR. MURPHY:</p> <p>14 Q Who would be addressing that on behalf of</p> <p>15 Braintech?</p> <p>16 A Dr. Boca. And Babak.</p> <p>17 Q Do you recall Mr. Shafi telling you in the</p> <p>18 May 30 e-mail, which is marked Exhibit 18, that</p> <p>19 government sales might be a big source of revenue for</p> <p>20 the combined entities in the future?</p> <p>21 MR. GREEVES: Object to the form of the</p> <p>22 question. I don't think there were going to be</p>	220	<p>1 way too complicated and the parties mutually decided</p> <p>2 it wasn't in the best interest of both. And we then</p> <p>3 turned our attention to the acquisition.</p> <p>4 But I mean I have no standing to make any</p> <p>5 decisions for Adil as to who he hires at this time.</p> <p>6 Q Mr. Shafi had already delivered multiple</p> <p>7 copies of the access and acceleration agreement,</p> <p>8 correct?</p> <p>9 A By May 30th?</p> <p>10 Q Yeah.</p> <p>11 A I know that was a very dynamic schedule.</p> <p>12 And I know that it got updated and changed regularly.</p> <p>13 So, at this point of our partnership conversations, I</p> <p>14 don't -- I can't even recollect what the draft of it,</p> <p>15 even if there was a draft of the A&A schedule, what it</p> <p>16 was. No.</p> <p>17 Q So this was not even -- as far as you're</p> <p>18 concerned, this is not even a negotiation as to what</p> <p>19 Mr. Shafi needed to support sales and revenue?</p> <p>20 A Well, I -- I mean I read this quickly just</p> <p>21 now, all right? And I -- I mean, it -- he's sending</p> <p>22 me resumes. And for this reason this person needs to</p>

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221	<p>1 be hired. But this is his business. May 30th, 2008,</p> <p>2 I don't -- I don't own Shafi. At this point we were</p> <p>3 just talking about a partnership, which in fact it was</p> <p>4 kind of cratering because we realized that technically</p> <p>5 speaking, it ain't going to happen.</p> <p>6 All I can say to you is I had no standing to</p> <p>7 make any decisions at this point regarding his</p> <p>8 business.</p> <p>9 Q So your understanding is that this had</p> <p>10 nothing to do with the -- the future of Braintech and</p> <p>11 Shafi? This -- Mr. Shafi was just talking about his</p> <p>12 own business here? And this was irrelevant to any</p> <p>13 concern that you had at the time?</p> <p>14 A I'm not sure I understand your question.</p> <p>15 Q Mr. Shafi suggests that, quote, middle of</p> <p>16 the page, "For this reason we need Elsie White to be</p> <p>17 in a HubZone working from her home and filing</p> <p>18 appropriate papers to get HubZone, SmartZone and 8(a)</p> <p>19 designations in 2008 so that we can get orders in</p> <p>20 2009."</p> <p>21 Did I read that accurately?</p> <p>22 A That's what it says.</p>	223
222	<p>1 Q And you believed that Mr. Shafi was just</p> <p>2 talking about his own business, not the future entity</p> <p>3 involving both Shafi and Braintech?</p> <p>4 A I mean, he -- I don't know what he was</p> <p>5 talking about. You -- he's the author. You can ask</p> <p>6 him.</p> <p>7 All I'm telling you is that, at this point</p> <p>8 in time, I had nothing to do with these decisions. I</p> <p>9 had my own business to take care of. This is all</p> <p>10 about his business.</p> <p>11 Q Well --</p> <p>12 A I mean --</p> <p>13 Q -- at some point in time his business became</p> <p>14 your business; true or false?</p> <p>15 A August 12th.</p> <p>16 Q Okay.</p> <p>17 A And this is May.</p> <p>18 Q You were negotiating as to what form that</p> <p>19 combination would take as of May, right?</p> <p>20 A Right. But I was very careful not to make</p> <p>21 decisions for him during this whole negotiating and</p> <p>22 closing process.</p>	224

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225	<p>1 capital working every day on his technology.</p> <p>2 Q So you were getting those forecasts for what</p> <p>3 reason?</p> <p>4 A So we could justify the acquisition and we</p> <p>5 could plan for the future.</p> <p>6 Q And you're telling me that you had no idea</p> <p>7 that in order to support that forecast, Mr. Shafi</p> <p>8 needed the combined entity to hire Elsie White, Donna</p> <p>9 Burr, two engineers, and two more engineers?</p> <p>10 MR. GREEVES: Object to the form of the</p> <p>11 question. I'm not getting that from this document.</p> <p>12 But go ahead and answer.</p> <p>13 THE WITNESS: Donna Burr was administrator.</p> <p>14 She was Adil's personal secretary for years and years</p> <p>15 and years. We hired her, right? Adil said hire her.</p> <p>16 We hired her.</p> <p>17 Elsie White was up in northern Michigan.</p> <p>18 And her sales effects didn't even take place until</p> <p>19 deep into 2009.</p> <p>20 We already had engineers up the yazoo in</p> <p>21 Vancouver, and two application engineers in Michigan.</p> <p>22 We attributed -- contributed two excellent</p>	227	<p>1 engineer of ours, was assigned to Shafi, and so was</p> <p>2 Lou Kondek.</p> <p>3 So my opinion is he had everything he</p> <p>4 needed.</p> <p>5 BY MR. MURPHY:</p> <p>6 Q So did you -- you just ignored these</p> <p>7 e-mails?</p> <p>8 A Well, J.P., I'm saying that I was -- at the</p> <p>9 time of May 30th, I was CEO of Braintech. I had no</p> <p>10 authority or anything to do with Shafi, Inc. I had no</p> <p>11 authority to give the approval to hire these people.</p> <p>12 Q Why didn't you write back and say --</p> <p>13 A Who am I?</p> <p>14 Q Why didn't you write him back and say I have</p> <p>15 nothing to do with this?</p> <p>16 A What did I just ask you 20 minutes ago? Do</p> <p>17 you have my response to one of the exhibits you gave</p> <p>18 me. And you said I'll ask the questions. That's why</p> <p>19 I was asking you for that.</p> <p>20 Q I've got all your responses.</p> <p>21 A Okay. I would like to see my response.</p> <p>22 Q I'm not going to argue with you.</p>
226	<p>1 sales executives under Shafi's direct responsibility.</p> <p>2 Jim Dara, our chief sales officer, and Pete Manias,</p> <p>3 our chief marketing officer, dealt with him every day.</p> <p>4 And the revenue that Shafi represented in forecasts</p> <p>5 for us was out of his own installed base.</p> <p>6 BY MR. MURPHY:</p> <p>7 Q So you're telling me that you had no idea</p> <p>8 that in order to support the forecasted revenue,</p> <p>9 Mr. Shafi needed the hires that are mentioned on</p> <p>10 Exhibit 19?</p> <p>11 MR. GREEVES: Objection to the form of the</p> <p>12 question. Assumes facts.</p> <p>13 THE WITNESS: Once again, Adil was not a</p> <p>14 revenue -- Donna was not a revenue maker. She was an</p> <p>15 administrative assistant. Kind of like your secretary</p> <p>16 up in Detroit. Very valuable, but I would guess that</p> <p>17 she does not get clients for you. Right? Maybe she</p> <p>18 does. I don't know. But she was an administrator.</p> <p>19 Elsie was in government sales just like it</p> <p>20 says, right? Her revenue was way out, right? I think</p> <p>21 we mentioned summer, autumn, fall, '09. We had the</p> <p>22 engineers. Dan Beaudoin, excellent application</p>	228	<p>1 A I don't want to argue with you either. But</p> <p>2 that's why I asked you the question earlier, what was</p> <p>3 my response to all of these. What am I supposed to do</p> <p>4 with this? I can't tell Adil to go hire these people.</p> <p>5 I have nothing to do with this company at this point.</p> <p>6 Q You know that Shafi had no revenue coming in</p> <p>7 in 2008; true or false?</p> <p>8 MR. GREEVES: Object to the form of the</p> <p>9 question.</p> <p>10 THE WITNESS: I don't know what he was paid</p> <p>11 the first 6 months of 2008. I do know that in 2007,</p> <p>12 it was about five or 600,000. And the year before</p> <p>13 that it was over a million.</p> <p>14 And he tells me he has 200 installations.</p> <p>15 So that's a lot of revenue. I don't know if that was</p> <p>16 accounted for properly in all of his tax returns and</p> <p>17 everything else. But that money went somewhere.</p> <p>18 That's -- that's what I know.</p> <p>19 BY MR. MURPHY:</p> <p>20 Q Well, we spent a lot of time this morning</p> <p>21 going over records to demonstrate that Shafi, and you</p> <p>22 admitted, that Shafi had an inability to pay its</p>

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229	<p>1 creditors in the ordinary course.</p> <p>2 Do you remember that testimony from this</p> <p>3 morning?</p> <p>4 MR. GREEVES: Object to the form. We're not</p> <p>5 going to just go through all the -- I mean, if you</p> <p>6 have a question, let's ask a question. If we've</p> <p>7 already done it, then we don't need to do it again.</p> <p>8 THE WITNESS: So do I answer or not?</p> <p>9 MR. GREEVES: I mean, do you remember your</p> <p>10 testimony from this morning?</p> <p>11 THE WITNESS: Well, I remember talking about</p> <p>12 Shafi's creditors and how he owed a lot of people a</p> <p>13 lot of money. And J.P. showed me financial statements</p> <p>14 that showed that.</p> <p>15 BY MR. MURPHY:</p> <p>16 Q And you knew that at the time; true?</p> <p>17 A I knew that Shafi owed money because that's</p> <p>18 why he was so panicked to close this deal so quickly</p> <p>19 and, you know, every other week request that I wire</p> <p>20 transfer from my personal bank accounts to his</p> <p>21 account. He was panicked. He was underwater.</p> <p>22 Q And so you knew that Shafi had absolutely no</p>	231	<p>1 have no authority to approve this expenditure for his</p> <p>2 company.</p> <p>3 Q Well --</p> <p>4 A I don't -- at this point, we're just</p> <p>5 negotiating a partnership arrangement which</p> <p>6 subsequently failed.</p> <p>7 Q Well, okay --</p> <p>8 A Right?</p> <p>9 Q The partnership failed. But there was</p> <p>10 always an understanding that support people were going</p> <p>11 to be hired in the combined entity?</p> <p>12 A Which was reflected in his employment</p> <p>13 agreement. And it was based on a cash flow</p> <p>14 availability, a cash flow ability.</p> <p>15 Q So one of the negotiating points for the</p> <p>16 partnership was that Mr. Shafi needed this kind of</p> <p>17 employment support. True or false?</p> <p>18 A But, J.P., this is May 30th, 2008. I have</p> <p>19 nothing to do with this.</p> <p>20 Q You're negotiating a partnership.</p> <p>21 A But I can't tell him the people who he can</p> <p>22 hire, where, and how much.</p>
230	<p>1 ability to hire four engineers, an administrator, and</p> <p>2 another sales support person?</p> <p>3 A I didn't know what -- what accounts he was</p> <p>4 collecting. I didn't know what -- you know, I</p> <p>5 didn't -- I didn't know who was currently paying him.</p> <p>6 I didn't -- the only thing I knew was historically</p> <p>7 what I could tell. And it took a long time for them</p> <p>8 to produce the 2008 6-month financial statements is my</p> <p>9 recollection. So I really didn't know what was going</p> <p>10 on. But I did know --</p> <p>11 Q So on the one hand you knew that Shafi</p> <p>12 couldn't pay its creditors?</p> <p>13 A I knew Shafi wasn't paying his creditors.</p> <p>14 Q And lawyers were negotiating payment</p> <p>15 agreements that you became aware of?</p> <p>16 A Correct.</p> <p>17 Q And you didn't realize that the e-mail that</p> <p>18 we've marked as Exhibit 19 was Mr. Shafi's suggestion</p> <p>19 as to the level of support he needed to generate the</p> <p>20 revenue that had been circulating in the forecasts for</p> <p>21 the combined entity?</p> <p>22 A But what am I supposed to do about that? I</p>	232	<p>1 Q Okay.</p> <p>2 A I mean....</p> <p>3 MR. MURPHY: Let's take a break and let me</p> <p>4 just re-sort where I am.</p> <p>5 MR. GREEVES: Okay.</p> <p>6 (Whereupon, a recess was taken between</p> <p>7 3:40 p.m. and 4:04 p.m.)</p> <p>8 (Deposition Exhibit Number 20 was marked for</p> <p>9 identification.)</p> <p>10 BY MR. MURPHY:</p> <p>11 Q Mr. Weidinger, I'm showing you what's been</p> <p>12 marked Exhibit 20. For the record, it's an e-mail</p> <p>13 addressed to you from Adil Shafi dated Friday, May 30,</p> <p>14 2008. Do you agree?</p> <p>15 A Yeah. It's dated May 30th, correct.</p> <p>16 Q It's sent to your weidingerfamily address?</p> <p>17 A Uh-huh.</p> <p>18 Q Do you have any recollection of receiving</p> <p>19 this around that time?</p> <p>20 A I think I do remember this and was</p> <p>21 wondering -- very confused by it.</p> <p>22 Q Does this appear to you to be a discussion</p>

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234	<p>1 the time. I mean, this just baffled me. Out of the</p> <p>2 blue, you know, please, you know -- so he's</p> <p>3 instructing Donna that, you know, to overnight these,</p> <p>4 and that I'm going to wire money to him tomorrow.</p> <p>5 I think I responded to this. And I would</p> <p>6 like to see the response.</p> <p>7 Q Is it your understanding that there was no</p> <p>8 discussion about \$100,000 cash component of a</p> <p>9 partnership deal that was going to be paid to</p> <p>10 Mr. Shafi?</p> <p>11 A You know, I -- you know, that partnership</p> <p>12 arrangement went -- swirled around so many different</p> <p>13 iterations. I'm not sure.</p> <p>14 All that I can do is go back to when it was</p> <p>15 actually paid and what were the terms and conditions</p> <p>16 that its payment was based on.</p> <p>17 Q And you had no -- you have no recollection</p> <p>18 of any discussions about whether it would be paid or</p> <p>19 what use would be made of the payment any time prior</p> <p>20 to the payment?</p> <p>21 A Well, I -- I know when I made the payment in</p> <p>22 June that it was -- it was earmarked for business</p>	236	<p>1 A I made --</p> <p>2 MR. GREEVES: Objection to the form of the</p> <p>3 question. It assumes facts and lacks foundation that</p> <p>4 there was a discussion. But....</p> <p>5 THE WITNESS: Yeah, I made it very clear to</p> <p>6 Adil that the wire transfers were for business</p> <p>7 expenses, not his own personal expenses.</p> <p>8 BY MR. MURPHY:</p> <p>9 Q And so --</p> <p>10 A That was -- I think -- I think there's an</p> <p>11 e-mail record that's pretty clear about that, J.P. We</p> <p>12 can produce it.</p> <p>13 Q By the way, since you have the e-mail</p> <p>14 servers, if there's something I'm leaving out of the</p> <p>15 picture here, I assume that you will bring it up at</p> <p>16 trial.</p> <p>17 A Yeah. Yeah.</p> <p>18 Q And I'm going to hold you to that.</p> <p>19 A Yeah. Yeah. Please.</p> <p>20 (Deposition Exhibit Number 21 was marked for</p> <p>21 identification.)</p> <p>22 BY MR. MURPHY:</p>

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237	<p>1 Q I'm showing you what we've marked as Exhibit</p> <p>2 Number 21.</p> <p>3 MR. GREEVES: May we have a copy of 21?</p> <p>4 THE WITNESS: Oh, sorry.</p> <p>5 MR. GREEVES: Oh. Thanks.</p> <p>6 BY MR. MURPHY:</p> <p>7 Q This is a little earlier in time. It's an</p> <p>8 April 8 e-mail that you got from Mr. Shafi, correct?</p> <p>9 A That's what it appears to be, yes. Trip to</p> <p>10 Pittsburgh.</p> <p>11 Q And Mr. Shafi is attaching a draft of</p> <p>12 something.</p> <p>13 MR. GREEVES: Sorry, counsel, what?</p> <p>14 MR. MURPHY: Mr. Shafi is attaching a draft</p> <p>15 of something?</p> <p>16 MR. GREEVES: Where do we see that?</p> <p>17 MR. MURPHY: On Exhibit 21.</p> <p>18 MR. GREEVES: Are you talking about on the</p> <p>19 second page?</p> <p>20 MR. MURPHY: No. I'm --</p> <p>21 THE WITNESS: It's coming?</p> <p>22 MR. MURPHY: It's coming.</p>	239	<p>1 MR. GREEVES: Did you have a question about</p> <p>2 it?</p> <p>3 BY MR. MURPHY:</p> <p>4 Q Do you recall receiving this in early April?</p> <p>5 A I -- I remember some form of Exhibit 22,</p> <p>6 yes. Whether it was attached to this e-mail -- I</p> <p>7 don't think the e-mail that you say it's attached to</p> <p>8 were -- even references it. I mean, you have a piece</p> <p>9 of paper that's stapled. But there's no -- there's no</p> <p>10 attachment on the headline of the e-mail. So, you</p> <p>11 know, I don't know.</p> <p>12 But this -- if you're asking me if I'm</p> <p>13 familiar with the Exhibit 22, yeah, I believe I've</p> <p>14 seen this before.</p> <p>15 Q And in fact several drafts of this were</p> <p>16 circulated. And this has to do with the partnership</p> <p>17 that never came to fruition, true?</p> <p>18 A I believe so. I'm -- I can't even recollect</p> <p>19 who the author of this was. I think it was probably a</p> <p>20 joint effort. But this was one of the swirls of the</p> <p>21 partnership conversations.</p> <p>22 Q Tell me what you understood about the value</p>
238	<p>1 MR. GREEVES: Oh. Okay. Sorry.</p> <p>2 THE WITNESS: I think he said Shafi will</p> <p>3 attach.</p> <p>4 (Deposition Exhibit Number 22 was marked for</p> <p>5 identification.)</p> <p>6 BY MR. MURPHY:</p> <p>7 Q I'm showing you what we've marked as</p> <p>8 Exhibit 22. Do you recall getting this document along</p> <p>9 with the April 8 e-mail or thereabouts?</p> <p>10 A This was in April you're saying? These two</p> <p>11 are attached?</p> <p>12 Q I'm asking you. If you don't remember,</p> <p>13 we'll move on.</p> <p>14 A I -- I don't know specifically that this was</p> <p>15 attached to that, if that's your question.</p> <p>16 Q I'm representing to you that I have the</p> <p>17 e-mail in native format with the attachment. And</p> <p>18 Number 22 was attached to Number 21.</p> <p>19 A 21.</p> <p>20 Q Okay. If you care to dispute that based</p> <p>21 upon your look at the Braintech servers, you're free</p> <p>22 to do that.</p>	240	<p>1 component on the right-hand side in the second box,</p> <p>2 1.85 million in cash with agreement.</p> <p>3 A I think that's something that Shafi just --</p> <p>4 that Adil just threw down. I'm not sure what the -- I</p> <p>5 mean we made it pretty clear that this wasn't going to</p> <p>6 be a cash deal. That it had to be -- that it had to</p> <p>7 be a stock deal.</p> <p>8 Q Well, didn't the --</p> <p>9 A So, I mean -- I'm sorry.</p> <p>10 Q Didn't the partnership discussions evolve</p> <p>11 over about six more weeks?</p> <p>12 A Like I say, I don't know what the date of</p> <p>13 this is. But the partnership discussions evolved</p> <p>14 until, I think right up until June, the end of May.</p> <p>15 Q So they evolved for the months of April and</p> <p>16 May?</p> <p>17 A I think we started talking in February. We</p> <p>18 spent a lot of time and resources and efforts</p> <p>19 discussing partnership. Mutually agreed that it</p> <p>20 wasn't going to work. I think we then flipped over</p> <p>21 into acquisition conversations the first part of June.</p> <p>22 That's my recollection.</p>

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241	<p>1 Q While the partnership discussions were under</p> <p>2 way, you paid a visit to Houghton, Michigan, true?</p> <p>3 A Houghton. That's it. Yes, I did. I'm not</p> <p>4 sure when, but I can check my calendar.</p> <p>5 Q Mr. Shafi, as part of that visit, lined up</p> <p>6 meetings with several important people in Houghton,</p> <p>7 true?</p> <p>8 A Important people to him, yes.</p> <p>9 Q Important people to him personally or to his</p> <p>10 business?</p> <p>11 A I think probably to him.</p> <p>12 Q Now, while you were negotiating the</p> <p>13 partnership agreement, did you do any due diligence on</p> <p>14 Mr. Shafi personally? I don't mean you personally. I</p> <p>15 mean his personal qualifications.</p> <p>16 A No, sir.</p> <p>17 (Deposition Exhibit Number 23 was marked for</p> <p>18 identification.)</p> <p>19 BY MR. MURPHY:</p> <p>20 Q I'm showing you what we've marked as</p> <p>21 Exhibit 23. Do you remember getting a copy of this</p> <p>22 e-mail?</p>	243
242	<p>1 A No, I don't. And as part of the materials</p> <p>2 to properly submit to the SEC as part of the</p> <p>3 transaction, I had to ask Adil for his background and</p> <p>4 his -- his CV and his bio. So I don't --</p> <p>5 Q There's a "regarding" line that says</p> <p>6 "Experience and profile for access and acceleration."</p> <p>7 By this time, in April, that's April 16th,</p> <p>8 had you already been discussing the access and</p> <p>9 acceleration process with Mr. Shafi?</p> <p>10 A I -- I don't remember. I don't know what</p> <p>11 the -- what the reason for him sending me this is. I</p> <p>12 don't know, maybe he was pounding his chest. I don't</p> <p>13 know.</p> <p>14 (Deposition Exhibit Number 24 was marked for</p> <p>15 identification.)</p> <p>16 BY MR. MURPHY:</p> <p>17 Q I'm showing you what we've marked as</p> <p>18 Exhibit 24.</p> <p>19 A Thank you.</p> <p>20 Q And it's a compilation of several e-mails</p> <p>21 right around October 16th and 17th. Do you recall</p> <p>22 having this exchange with Mr. Shafi?</p>	244
	<p>1 A Well, I think I already answered that I</p> <p>2 don't have any recollection of this April 16th one</p> <p>3 where he's sharing with us his proud background.</p> <p>4 MR. GREEVES: Is there a question pending?</p> <p>5 BY MR. MURPHY:</p> <p>6 Q Do you have any recollection of receiving</p> <p>7 it?</p> <p>8 A You know, there are several hundred e-mails</p> <p>9 going back and forth between Adil and I. This may or</p> <p>10 may not be several of them.</p> <p>11 Q Okay. On the third page of Exhibit 24,</p> <p>12 there appears to be an attachment.</p> <p>13 A Third page. Yeah, to me, J.P., that looks</p> <p>14 like it's clipped and pasted on. That does not -- I</p> <p>15 mean, I don't -- usually in e-mails the attachment is</p> <p>16 like in the subject heading or in the salutation. I</p> <p>17 mean -- I don't know.</p> <p>18 Q You're used to using Outlook software for</p> <p>19 your e-mail, correct?</p> <p>20 A I use Outlook software, yes.</p> <p>21 Q Do you know if Mr. Shafi uses Outlook</p> <p>22 software?</p>	
	<p>1 A I do not know.</p> <p>2 Q Do you know that he uses a different</p> <p>3 application for, I'm sorry, for e-mail than Microsoft</p> <p>4 Outlook?</p> <p>5 A I know he's got several e-mail addresses and</p> <p>6 he does, you know, different funny things with all of</p> <p>7 it. But I don't know what e-mail service or server he</p> <p>8 uses, no, I don't.</p> <p>9 Q So if he uses something other than Microsoft</p> <p>10 Outlook, you might not see things that you're used to</p> <p>11 seeing on Microsoft Outlook?</p> <p>12 A Yeah. And I'm just saying, I'm just making</p> <p>13 a point, I don't usually see an attachment this way,</p> <p>14 so it's, it's foreign to me.</p> <p>15 Q But you have no reason to believe there</p> <p>16 wasn't an attachment to this e-mail?</p> <p>17 A Right. Why don't we just print out the</p> <p>18 attachment that you're saying is to this e-mail?</p> <p>19 Is it Exhibit 22?</p> <p>20 MR. GREEVES: No. I think he's going to</p> <p>21 give it to you.</p> <p>22 THE WITNESS: If he's asking me a question</p>	

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246	<p>1 24, counsel, you're noting the third page where it</p> <p>2 says "Braintech Shafi partnership 2 pdf"?</p> <p>3 MR. MURPHY: Yeah.</p> <p>4 THE WITNESS: Okay. How do I know this is</p> <p>5 that?</p> <p>6 MR. GREEVES: You're taking it on faith.</p> <p>7 THE WITNESS: Okay. I'll take it on faith.</p> <p>8 MR. GREEVES: That's counsel's</p> <p>9 representation, that that is --</p> <p>10 THE WITNESS: Okay. But I'm really confused</p> <p>11 here, because what does this have to do with our</p> <p>12 acquisition? Because this is a partnership that the</p> <p>13 parties mutually decided was not beneficial for either</p> <p>14 of them, for mostly technical reasons, and therefore</p> <p>15 we dismissed and we started up with the acquisition.</p> <p>16 So I don't mind answering your questions.</p> <p>17 But can you....</p> <p>18 BY MR. MURPHY:</p> <p>19 Q The 1.85 million in cash component is still</p> <p>20 in this partnership document, which is Exhibit 25;</p> <p>21 true?</p> <p>22 A Yes. And I'll tell you, I mean, that's what</p>	248	<p>1 Q Page 2.</p> <p>2 MR. GREEVES: Exhibit 25 on page 2.</p> <p>3 THE WITNESS: Oh, okay.</p> <p>4 BY MR. MURPHY:</p> <p>5 Q At the top of the page it begins, "Timeline,</p> <p>6 milestones, and payments." Do you see that?</p> <p>7 A Timeline, yes, I see that.</p> <p>8 Q Now, bearing in mind that this was talking</p> <p>9 about a partnership that didn't come to fruition, the</p> <p>10 first component of the cash was \$100,000; true or</p> <p>11 false?</p> <p>12 A Well, that's what this says. But this is</p> <p>13 Adil Shafi throwing words and numbers on a piece of</p> <p>14 paper himself.</p> <p>15 Q This was a proposal being made to you by</p> <p>16 Shafi, Inc. for a partnership, true?</p> <p>17 A If you say so.</p> <p>18 Q You don't remember Mr. Shafi making a</p> <p>19 partnership proposal that called for \$100,000 down?</p> <p>20 A You know, J.P., we talked about so many</p> <p>21 different structures and so many different areas of</p> <p>22 compensation and integration and employees. And I</p>

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249	<p>1 mean, it was like -- I tried to describe it to you as</p> <p>2 a big swirl. Until we finally were able to put</p> <p>3 something definitive into a letter of intent in June</p> <p>4 and then structure it.</p> <p>5 Q And then this proposal provided for \$100,000</p> <p>6 down and monthly payments of \$218,000. Do you see</p> <p>7 that?</p> <p>8 A I -- those -- those were not -- I was not</p> <p>9 the author of this.</p> <p>10 Q I'm not saying you were the author.</p> <p>11 A Okay.</p> <p>12 Q I'm just asking if you got this and you</p> <p>13 recall that Mr. Shafi made a proposal with that cash</p> <p>14 component?</p> <p>15 A You know, I remember the -- the top exhibit.</p> <p>16 I don't remember all these numbers and cash and stock</p> <p>17 and options. I mean, I don't remember ever</p> <p>18 discussing, you know, the cash components other than</p> <p>19 the 100,000 up front and the stock and the options. I</p> <p>20 mean, that -- that's all subject to negotiation,</p> <p>21 finalization and memorialization.</p> <p>22 (Deposition Exhibit Number 26 was marked for</p>	251	<p>1 chance to respond to it at, was that 10:32 p.m., I</p> <p>2 guess that is.</p> <p>3 Q So this would show that you got Exhibit 25,</p> <p>4 you considered it, and you wrote a fairly long</p> <p>5 response with six separate points.</p> <p>6 A I think -- well, it says -- no, I think I</p> <p>7 responded quickly to it. Because it said "I will look</p> <p>8 over in much more detail tomorrow."</p> <p>9 Q Fair enough.</p> <p>10 MR. GREEVES: I think we can all agree on</p> <p>11 what the document says. So....</p> <p>12 BY MR. MURPHY:</p> <p>13 Q Is this -- are you negotiating with</p> <p>14 Mr. Shafi about the terms of a partnership between</p> <p>15 Braintech and Shafi, Inc.?</p> <p>16 A Can I read it, please?</p> <p>17 Q Sure.</p> <p>18 A Okay. Question?</p> <p>19 Q What's going on here with the couple of</p> <p>20 e-mails that we just saw? This is an ongoing</p> <p>21 negotiation regarding the potential partnership deal;</p> <p>22 true or false?</p>
250	<p>1 identification.)</p> <p>2 BY MR. MURPHY:</p> <p>3 Q I'm showing you what we've marked as Exhibit</p> <p>4 Number 26.</p> <p>5 A Okay. Thank you.</p> <p>6 Q You start out writing to Mr. Adil -- by the</p> <p>7 way, you're writing back to Mr. Shafi at the</p> <p>8 weidingerfamily.com e-mail address, true?</p> <p>9 A You know what I do, I mean, it's a bad</p> <p>10 habit, I just click on "reply." So if he sent it to</p> <p>11 me at Rick Weidinger at family.com, I just hit reply.</p> <p>12 Q So you're using that address to reply to</p> <p>13 Mr. Shafi, true?</p> <p>14 A I'm using the address that he sent it to me</p> <p>15 and I'm replying from that address.</p> <p>16 Q Now, you reference, "Sorry it took so long</p> <p>17 to acknowledge receipt of your document." Do you have</p> <p>18 any recollection that the document you're talking</p> <p>19 about is what we just looked at as Exhibit 25?</p> <p>20 A That's why I asked you when you presented it</p> <p>21 to me what my response was. Right. So the original</p> <p>22 was sent to me at 6:45 a.m. And I think I got a</p>	252	<p>1 A This is in April. And I think our only</p> <p>2 conversations with doing some type of transaction</p> <p>3 together related to the partnership.</p> <p>4 Q So what we have here as Exhibit 26 is</p> <p>5 another step in the evolving negotiations. This is</p> <p>6 your response to Exhibit 25. True?</p> <p>7 A 25 being? 25 is the -- this?</p> <p>8 MR. GREEVES: Yep.</p> <p>9 THE WITNESS: Well, it's my response to --</p> <p>10 yeah, because I mentioned 218 a month is much too --</p> <p>11 much too much.</p> <p>12 Yeah, so I mean, in this e-mail we're</p> <p>13 talking about the hundred thousand cash payment.</p> <p>14 We're talking about how the netting effect, the cash</p> <p>15 is -- the cash payment is based upon the achievement</p> <p>16 of access and acceleration. That's Shafi revenue.</p> <p>17 It talks about the 218. The numbers in here</p> <p>18 are too much.</p> <p>19 BY MR. MURPHY:</p> <p>20 Q Where is the term netting effect in this</p> <p>21 document?</p> <p>22 A Achieving X, compensation Y gets paid.</p>

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253	<p>1 Q Okay. So here is the -- in the negotiation,</p> <p>2 in the evolution of the negotiations, you're prepared</p> <p>3 at this point in time to make a \$100,000 down payment</p> <p>4 on the execution of a nonbinding letter of intent. Is</p> <p>5 that true?</p> <p>6 A Well, there -- my -- I mean, my knowledge is</p> <p>7 letters of -- there are no binding letters of intent.</p> <p>8 When is a letter of intent binding? I don't know of</p> <p>9 one that is.</p> <p>10 Q I'm not asking whether or not it was</p> <p>11 binding.</p> <p>12 A Well, you said --</p> <p>13 Q I'm asking you whether or not you committed</p> <p>14 to a \$100,000 down payment when a letter of intent was</p> <p>15 executed?</p> <p>16 A I think what this is, and I think you even</p> <p>17 mentioned it before, I think this is another throw in</p> <p>18 many throws of negotiating some type of structure that</p> <p>19 made sense to both parties.</p> <p>20 Q And by --</p> <p>21 A And as you know from doing transactions,</p> <p>22 these elements change by the minute, by the day. I</p>	255	<p>1 question. But you can answer.</p> <p>2 THE WITNESS: Prior to August 12th, we sent</p> <p>3 Adil Shafi \$100,000 in the form of --</p> <p>4 BY MR. MURPHY:</p> <p>5 Q As part of the deal --</p> <p>6 A In the form of a loan. I'm sorry.</p> <p>7 Q As part of the deal that closed on</p> <p>8 August 12th?</p> <p>9 A As part of the deal that closed on August --</p> <p>10 I guess so, yeah.</p> <p>11 Q It was part of the compensation for the deal</p> <p>12 that closed on August 12th, right?</p> <p>13 A It was a form of a loan, right. I mean,</p> <p>14 Shafi signed it as a loan. Right.</p> <p>15 Q It was treated as payment of the sales price</p> <p>16 in the share purchase agreement, true?</p> <p>17 A In the form of a loan. He signed a</p> <p>18 promissory note for that \$100,000.</p> <p>19 Q It was considered part of the consideration</p> <p>20 for the transaction; true or false?</p> <p>21 MR. GREEVES: Object to the form of the</p> <p>22 question.</p>
254	<p>1 mean, until you sign a definitive document, none of</p> <p>2 this is relevant.</p> <p>3 Q The \$100,000 cash down payment component was</p> <p>4 consistent all the way up until June 19th when it was</p> <p>5 paid in part; true or false?</p> <p>6 A False. The original -- the first \$50,000</p> <p>7 payment was made on or about June 5th based on an</p> <p>8 e-mail that I sent to Adil Shafi that very carefully</p> <p>9 and very clearly outlined the basis of which I'm</p> <p>10 sending that money to him personally.</p> <p>11 It wasn't based on the millions of minutiae</p> <p>12 that occurred before I wired that.</p> <p>13 Q But the fact is, under the deal that was</p> <p>14 closed on October 10 --</p> <p>15 A October 10?</p> <p>16 MR. GREEVES: August 12.</p> <p>17 MR. MURPHY: August 12. Sorry. Thank you.</p> <p>18 MR. GREEVES: That's okay.</p> <p>19 BY MR. MURPHY:</p> <p>20 Q There was a \$100,000 cash component; true or</p> <p>21 false?</p> <p>22 MR. GREEVES: Object to the form of the</p>	256	<p>1 THE WITNESS: It was in the form of a loan</p> <p>2 to Shafi of \$100,000, which was part of the</p> <p>3 acquisition.</p> <p>4 BY MR. MURPHY:</p> <p>5 Q So going all the way back from August 12,</p> <p>6 2008 to April 17, 2008, on April 17th, 2008, the</p> <p>7 proposal that ultimately closed -- I'm sorry. Let me</p> <p>8 start over.</p> <p>9 A Sure.</p> <p>10 Q Going all the way back to August -- to</p> <p>11 April 17th --</p> <p>12 A Yes, sir.</p> <p>13 Q -- you decided on April 17 that part of this</p> <p>14 deal would include \$100,000 cash?</p> <p>15 MR. GREEVES: Object to the form of the</p> <p>16 question. I'm not sure what deal we're talking about.</p> <p>17 But....</p> <p>18 THE WITNESS: Absolutely not. I mean, there</p> <p>19 was no deal here. There was not any deal until the</p> <p>20 first \$50,000 was wired to Adil Shafi based on certain</p> <p>21 terms and conditions that are very -- laid out very</p> <p>22 clearly in an e-mail. And then 48 hours after that,</p>

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257	<p>1 Adil, after he had already confirmed that he received</p> <p>2 my wire, he started changing very material terms in</p> <p>3 that.</p> <p>4 BY MR. MURPHY:</p> <p>5 Q Look --</p> <p>6 A We can --</p> <p>7 Q -- I don't want to argue with you.</p> <p>8 A I'm not arguing. I'm just trying to answer</p> <p>9 your question.</p> <p>10 MR. GREEVES: Let him finish, and then you</p> <p>11 finish. That way the argument will be well preserved</p> <p>12 for the record.</p> <p>13 THE WITNESS: I don't like to argue.</p> <p>14 BY MR. MURPHY:</p> <p>15 Q We can get through this really a lot</p> <p>16 quicker.</p> <p>17 A Okay. Carry on.</p> <p>18 Q There was -- Adil Shafi said he needed</p> <p>19 \$100,000 cash in the partnership negotiations. And</p> <p>20 you responded to that. And to you \$100,000 cash was</p> <p>21 an acceptable part of a partnership. True or false?</p> <p>22 A What I don't understand is the \$100,000 that</p>	259	<p>1 A At Michigan Tech?</p> <p>2 Q Yeah.</p> <p>3 A Do I remember whether I had --</p> <p>4 MR. GREEVES: Just think about it.</p> <p>5 THE WITNESS: I mean, I spoke to Adil during</p> <p>6 that visit with and without other people. We had</p> <p>7 dinner together, it was just he and I.</p> <p>8 BY MR. MURPHY:</p> <p>9 Q Were you negotiating any terms of any</p> <p>10 partnership?</p> <p>11 A I think we were always talking about how we</p> <p>12 could do things together.</p> <p>13 (Deposition Exhibit Number 27 was marked for</p> <p>14 identification.)</p> <p>15 BY MR. MURPHY:</p> <p>16 Q I'm showing you what's been marked as</p> <p>17 Exhibit Number 27.</p> <p>18 A Thank you. Yeah. This is my response.</p> <p>19 Q So we now have the e-mail where you</p> <p>20 responded to Mr. Shafi's May 30 e-mail about a wire</p> <p>21 transfer?</p> <p>22 A Correct.</p>
258	<p>1 was agreed to was part of an acquisition transaction.</p> <p>2 The \$100,000 that you're referring to in</p> <p>3 this e-mail dated April the 17th was part of a</p> <p>4 partnership. They are very, very different, with</p> <p>5 different economics, different values, different</p> <p>6 results, et cetera, et cetera, et cetera. Number 1.</p> <p>7 Number 2, this partnership arrangement, it</p> <p>8 was mutually decided by the parties going in -- late</p> <p>9 May, going into June, that it wasn't beneficial for</p> <p>10 either, and so we terminated it.</p> <p>11 So I'm just, you know, I love answering your</p> <p>12 questions, but I just don't understand the reasoning</p> <p>13 for them, I guess is what I'm trying to say.</p> <p>14 Q Do you remember visiting Houghton, Michigan</p> <p>15 on April 24, 2008?</p> <p>16 A I remember visiting Houghton, yes.</p> <p>17 Q Do you remember meeting with Dr. Dale</p> <p>18 Tahtinen, T-A-H-T-I-N-E-N?</p> <p>19 A I'm not sure who the gentleman -- I think we</p> <p>20 met a couple of individuals from Michigan Tech.</p> <p>21 Q Do you remember having personal off-line</p> <p>22 discussions where only you and Mr. Shafi participated?</p>	260	<p>1 Q This is your response given on the same day,</p> <p>2 May 30, correct?</p> <p>3 A It appears to be so, yes.</p> <p>4 Q So can I assume for the purpose of this</p> <p>5 record that you in fact received the list of May 30</p> <p>6 payables in the e-mail that you are responding to?</p> <p>7 A It looks like that's what I was responding</p> <p>8 to. I mean, I think my words are very clear.</p> <p>9 Q Well, did you have any --</p> <p>10 A Can I read them?</p> <p>11 Q Did you express any objection to any of the</p> <p>12 specifically designated amounts as to how Mr. Shafi</p> <p>13 proposed to spend the first 50,000?</p> <p>14 MR. GREEVES: Are you asking apart from this</p> <p>15 e-mail? I think we can all read the e-mail and see</p> <p>16 what it says for ourselves.</p> <p>17 MR. MURPHY: In the e-mail. I'll start with</p> <p>18 in the e-mail.</p> <p>19 MR. GREEVES: Okay.</p> <p>20 THE WITNESS: You know, I think, J.P., I was</p> <p>21 so shocked at reading how he is giving instructions to</p> <p>22 Donna to cut checks tomorrow because I'm going to be</p>

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261	<p>1 wiring transfer money tomorrow.</p> <p>2 I was so shocked at that. And that's why I</p> <p>3 said, you know, we haven't agreed on any wire transfer</p> <p>4 tomorrow. What are you talking about? I'm very</p> <p>5 concerned regarding your tactics.</p> <p>6 I probably didn't even read this list. I</p> <p>7 mean, it -- it wasn't relevant. It wasn't pertinent.</p> <p>8 I mean, I never agreed to any wire based on anything.</p> <p>9 And, you know, who knows what reason he was, out of</p> <p>10 the blue, sending this to me.</p> <p>11 BY MR. MURPHY:</p> <p>12 Q And so your recollection is that there was</p> <p>13 no discussion about a \$100,000 cash payment was going</p> <p>14 to be made by wire transfer at any time prior to when</p> <p>15 it was actually made?</p> <p>16 MR. GREEVES: Object to the form of the</p> <p>17 question.</p> <p>18 THE WITNESS: Right. Because I go on, "We</p> <p>19 have been clear all along what needs to be completed</p> <p>20 before deposit. I laid this out for you as recently</p> <p>21 as 3 hours ago."</p> <p>22 And there was a lot of things.</p>	263	<p>1 be at least some terms and conditions that go to that.</p> <p>2 Although, I tell you I was very lax in my initial</p> <p>3 personal \$50,000 deposit to Shafi. I did that on good</p> <p>4 faith. I still did it based on my June 5th e-mail,</p> <p>5 saying these are the terms that I'm sending you this</p> <p>6 \$50,000, that I've instructed this wire for \$50,000.</p> <p>7 You just don't send people money freely like</p> <p>8 Adil expected us to.</p> <p>9 Q I'm not talking about the terms and</p> <p>10 conditions. I'm just asking about the negotiated</p> <p>11 aspect of the deposit. It came into existence in</p> <p>12 April. And it was something that there was a meeting</p> <p>13 of the minds on in terms of the amount. Not the</p> <p>14 conditions. The amount.</p> <p>15 A But -- but it -- well, the deposit came in</p> <p>16 two forms, 50 plus 50, not 100.</p> <p>17 Q What does 50 plus 50 equal?</p> <p>18 A 100,000. They came in two tranches. Right?</p> <p>19 And I got to tell you, I mean, you're chuckling, but</p> <p>20 the first 50 was based on the terms and conditions I</p> <p>21 sent Adil. Between that and the second 50, he changed</p> <p>22 those terms. He already had the money in his pocket.</p>
262	<p>1 MR. GREEVES: Let's give it -- when you're</p> <p>2 quoting from that, the court reporter is writing down</p> <p>3 everything you say, so you went from like a part of a</p> <p>4 quote to not. It would be important to --</p> <p>5 THE WITNESS: I'm sorry.</p> <p>6 MR. GREEVES: When you're reading, make sure</p> <p>7 she's ascertaining you're quoting from the document as</p> <p>8 opposed to, you know, for the record. I'm just trying</p> <p>9 to help.</p> <p>10 BY MR. MURPHY:</p> <p>11 Q Well, now I've got you making statements in</p> <p>12 the record and writing in an e-mail talking about a</p> <p>13 deposit. What did you mean by deposit?</p> <p>14 A I viewed this 50 plus 50 equals 100,000 as a</p> <p>15 deposit on the transaction. That's why it was in the</p> <p>16 form of a loan. It was --</p> <p>17 Q So --</p> <p>18 A It was a deposit on the transaction.</p> <p>19 Q So you were discussing that deposit as early</p> <p>20 as April 17 in the earlier e-mails?</p> <p>21 A Yeah, I mean, J.P., as I know you well know,</p> <p>22 before someone gives someone a deposit, there has to</p>	264	<p>1 And he then changed the terms that he had accepted</p> <p>2 that \$50,000 wire. You talk about bad acts.</p> <p>3 Q I'm going to object to your comments on the</p> <p>4 record that are unresponsive.</p> <p>5 (Deposition Exhibit Number 28 was marked for</p> <p>6 identification.)</p> <p>7 BY MR. MURPHY:</p> <p>8 Q I'm showing you what we've marked as Exhibit</p> <p>9 Number 28.</p> <p>10 A Thank you. Still in May.</p> <p>11 Q Still in May 30.</p> <p>12 Now, you talked about, in your last answer,</p> <p>13 the partnership discussion unraveling?</p> <p>14 A Yeah. Swirling.</p> <p>15 Q Isn't this e-mail that you got from</p> <p>16 Mr. Shafi on or about May 30 the beginning of the</p> <p>17 unraveling?</p> <p>18 A Let me -- can I read it, please?</p> <p>19 Q Sure.</p> <p>20 A And do you have my response to this?</p> <p>21 Q If you want to take my deposition, you can</p> <p>22 have your attorney notice it up and ask me any</p>

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265	<p>1 questions you want.</p> <p>2 A Okay. Okay.</p> <p>3 MR. GREEVES: Promise?</p> <p>4 MR. MURPHY: Promise.</p> <p>5 THE WITNESS: Okay. I'm sorry, J.P. Your</p> <p>6 question?</p> <p>7 BY MR. MURPHY:</p> <p>8 Q Do you remember this e-mail?</p> <p>9 A What I remember is that I think -- I think</p> <p>10 Adil and Babak were tasked with trying to make sense</p> <p>11 out of this very technical partnership. And, yeah, I</p> <p>12 mean, there were -- there were major problems</p> <p>13 surfacing, as I think Babak and Adil dug into it. And</p> <p>14 it started, as you put it, unraveling.</p> <p>15 Q And I'm not going to go into the details of</p> <p>16 why. But I just -- I want to see if you recall that</p> <p>17 Adil wrote to you, beginning at the bottom of this</p> <p>18 Exhibit 28, quote, "I hope this is not right, but if</p> <p>19 it is, then it is a change in the trust we have</p> <p>20 enjoyed, and it will be an unraveling of our</p> <p>21 understandings and, therefore, the end of our</p> <p>22 engagement."</p>	267	<p>1 THE WITNESS: 5 days later he accepted a</p> <p>2 \$50,000 wire transfer. So, you know....</p> <p>3 You ask your client what his intent was.</p> <p>4 BY MR. MURPHY:</p> <p>5 Q That's your answer to the question?</p> <p>6 A I'm sorry. What -- what was your question</p> <p>7 again?</p> <p>8 Q Did you understand that Mr. Shafi was</p> <p>9 prepared to walk away from the deal on May 30, 2008?</p> <p>10 A My understanding is both parties were</p> <p>11 getting frustrated by trying to make this thing --</p> <p>12 this technical thing really work.</p> <p>13 Q So the answer --</p> <p>14 A And I don't think that he and Babak really</p> <p>15 came eye to eye on anything.</p> <p>16 Q So the answer is yes? You were prepared to</p> <p>17 walk away as well?</p> <p>18 A Well, I mean, I -- yeah. I was prepared to</p> <p>19 walk away several times, which is clearly in the</p> <p>20 record, too.</p> <p>21 Q And by this e-mail, you understood that</p> <p>22 Mr. Shafi was prepared to walk?</p>
266	<p>1 Did I read that accurately?</p> <p>2 A Yes, you did. But every time anybody --</p> <p>3 Q No. That's my question. You've answered</p> <p>4 it.</p> <p>5 A -- disagreed with Adil, he said it was a</p> <p>6 change in trust.</p> <p>7 Q The very next line says, quote, "Rick, I may</p> <p>8 need money, but I never compromise on principles no</p> <p>9 matter what and no matter who."</p> <p>10 Did I read that accurately?</p> <p>11 A You did.</p> <p>12 Q And at this point did you understand</p> <p>13 Mr. Shafi was prepared to walk away from this deal?</p> <p>14 A I'm -- I heard what you just read me.</p> <p>15 Whether he was prepared to walk away from it or not,</p> <p>16 you have to ask him.</p> <p>17 Q You don't recall Mr. Shafi communicating</p> <p>18 that he was prepared to walk away from the deal?</p> <p>19 A Well, you know --</p> <p>20 MR. GREEVES: Apart from this e-mail,</p> <p>21 counsel?</p> <p>22 MR. MURPHY: Yes.</p>	268	<p>1 A Well, you know, walk -- I mean, he didn't.</p> <p>2 So was he preparing to? Maybe. We were frustrated.</p> <p>3 Everybody was frustrated at this point, J.P., without</p> <p>4 a doubt.</p> <p>5 Q And as of May 30, not a single dollar had</p> <p>6 been paid to or deposited to or loaned to Shafi, Inc.</p> <p>7 by Braintech, true?</p> <p>8 A True. I don't think that happened until</p> <p>9 June 5th.</p> <p>10 (Deposition Exhibit Number 29 was marked for</p> <p>11 identification.)</p> <p>12 BY MR. MURPHY:</p> <p>13 Q I'm showing you what we've marked as</p> <p>14 Exhibit 29. And 29 appears to be your same-day</p> <p>15 response?</p> <p>16 A Yes, sir. Appears to be.</p> <p>17 Q To the prior -- actually the next day.</p> <p>18 A On Saturday, I responded, correct.</p> <p>19 Q And, again, you responded from</p> <p>20 weidingerfamily.com?</p> <p>21 A Yes, sir. I think, again, I hit the reply</p> <p>22 button.</p>

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269	<p>1 Q I haven't seen any e-mails that we've gone</p> <p>2 through today addressed to you at Braintech.com. And</p> <p>3 I -- so I'm asking you to be on the lookout.</p> <p>4 A Okay.</p> <p>5 Q Because I've got several more e-mails to go.</p> <p>6 A Okay. Lookout for what, Braintech e-mails?</p> <p>7 Q Yeah.</p> <p>8 A Okay. Thank you.</p> <p>9 MR. GREEVES: Wait a minute. I don't know</p> <p>10 if that --</p> <p>11 THE WITNESS: From me, I think, right?</p> <p>12 MR. GREEVES: What do you mean you expect us</p> <p>13 to be on the lookout? Do you mean when you're handing</p> <p>14 us a document you expect us to tell you that?</p> <p>15 MR. MURPHY: I'll be on the lookout, too.</p> <p>16 MR. GREEVES: Okay. All right. I got it.</p> <p>17 THE WITNESS: Yeah, it's a habit. I get</p> <p>18 lazy and just hit reply.</p> <p>19 BY MR. MURPHY:</p> <p>20 Q What did you mean when you wrote the second</p> <p>21 sentence, and I'm going to read it, quote, "The really</p> <p>22 unfortunate thing about all of this is that you have</p>	271
270	<p>1 put undue pressure on what otherwise could have been</p> <p>2 an awesome combination of businesses."</p> <p>3 MR. GREEVES: Objection. That's not proper.</p> <p>4 That's not what it says.</p> <p>5 THE WITNESS: I didn't read it accurately?</p> <p>6 MR. GREEVES: No, you didn't.</p> <p>7 BY MR. MURPHY:</p> <p>8 Q I'll pass on reading. What did you mean by</p> <p>9 this could be an awesome combination of businesses?</p> <p>10 A Well, I felt that it could have been an</p> <p>11 awesome combination of businesses. But, you know,</p> <p>12 Shafi was introducing -- and I'm trying to recall this</p> <p>13 to the best of my recollection. He was introducing</p> <p>14 all kinds of minute technical problems and, you know,</p> <p>15 who sells what and, you know, is the Shafi the</p> <p>16 integration solution and Braintech Technologies the</p> <p>17 egg that's wrapped around it.</p> <p>18 I mean, it was like -- and Babak, who</p> <p>19 understands these things far more than I do, was very,</p> <p>20 very confused. And I don't -- I think it's fair to</p> <p>21 say that he and Adil never really saw eye to eye from</p> <p>22 a technical perspective.</p>	272
	<p>1 So that's what I was saying. Undue pressure</p> <p>2 is you're complicating something that could be pretty</p> <p>3 easy. But --</p> <p>4 Q And that has to do with why the business</p> <p>5 combination would be awesome?</p> <p>6 A Yeah. I'm saying if we can get through the</p> <p>7 ego of whose technology is better than the other's, we</p> <p>8 could have an excellent combination here.</p> <p>9 But both Adil thought his was bigger, Babak</p> <p>10 thought his was bigger, and it was very cumbersome</p> <p>11 trying to get the two of them to agree on anything.</p> <p>12 Q So --</p> <p>13 A And I'm just saying, you know, there's been</p> <p>14 a lot of -- maybe -- you know, I apologize. Maybe it</p> <p>15 wasn't the best choice of words.</p> <p>16 Q You don't have to apologize to me at any</p> <p>17 time for any purpose, okay?</p> <p>18 A Thank you.</p> <p>19 Q I'm not going to go through the rest of the</p> <p>20 e-mail. But it's safe to say that these were very</p> <p>21 technical issues, as you said. And those issues hung</p> <p>22 up Mr. Shafi as he wrote that he was -- that the</p>	

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273	<p>1 Q Okay. On the second page of your e-mail to</p> <p>2 Mr. Shafi --</p> <p>3 A Yes, sir.</p> <p>4 Q -- the very last line, "Please channel all</p> <p>5 your questions and calls through me regarding</p> <p>6 Braintech and this partnership."</p> <p>7 Did I read that accurately?</p> <p>8 A Yes, you did.</p> <p>9 Q And what did you mean by that?</p> <p>10 A You know, at this -- May, I mean, we were</p> <p>11 trying to accomplish a lot at Braintech, you know, and</p> <p>12 Adil was absorbing -- this comment was a result of</p> <p>13 Babak's comment to me actually. Protect me, Rick.</p> <p>14 He's absorbing so much of my time if you want me to be</p> <p>15 focused on this. So I try to protect my people and</p> <p>16 their time and their resources.</p> <p>17 Q That's it? So based upon that, you wanted</p> <p>18 all communications regarding this deal to go between</p> <p>19 you and Mr. Shafi?</p> <p>20 A And if they were technical, I would then</p> <p>21 delegate them on to Babak. If they were sales, so and</p> <p>22 so. If they were -- you know, correct.</p>	275	<p>1 possible breaking point, and you may just decide to go</p> <p>2 your own way. Is that a fair statement?</p> <p>3 MR. GREEVES: You mean before or after he</p> <p>4 read Mr. Shafi's -- we already talked about the 29th</p> <p>5 e-mail. Now we have Mr. Shafi's e-mail.</p> <p>6 BY MR. MURPHY:</p> <p>7 Q Well, you -- there's an understanding --</p> <p>8 there's comments in the e-mails that this may be</p> <p>9 unraveling. But there's continuing discussions here.</p> <p>10 Do you agree with that?</p> <p>11 A Well, there's e-mails going back and forth.</p> <p>12 Yes, I agree with that.</p> <p>13 Q Here is where Mr. Shafi informs you that he</p> <p>14 didn't want to show you everything about Reliabot. In</p> <p>15 the very last paragraph of his e-mail.</p> <p>16 A Yeah. I mean --</p> <p>17 Q And that -- that issue held true all the way</p> <p>18 through the closing? That never changed?</p> <p>19 A Right. We never -- we never -- yeah, we</p> <p>20 never saw the technology until a month after closing.</p> <p>21 Q And you waived --</p> <p>22 A To the best of my knowledge.</p>
274	<p>1 (Deposition Exhibit Number 30 was marked for</p> <p>2 identification.)</p> <p>3 BY MR. MURPHY:</p> <p>4 Q I'm showing you what we're going to mark as</p> <p>5 Exhibit 30.</p> <p>6 A 30. Thank you. We're still in May.</p> <p>7 Q And you're still using weidingerfamily.com.</p> <p>8 A I'm sorry.</p> <p>9 Q You don't have to apologize.</p> <p>10 MR. GREEVES: We have moved one day forward.</p> <p>11 THE WITNESS: What?</p> <p>12 MR. GREEVES: We have moved one day forward.</p> <p>13 And thankfully there are only 31 days in May.</p> <p>14 THE WITNESS: Jesus crimony.</p> <p>15 BY MR. MURPHY:</p> <p>16 Q I just -- I'm not going to go through detail</p> <p>17 about this. But this is --</p> <p>18 MR. GREEVES: Take your time.</p> <p>19 BY MR. MURPHY:</p> <p>20 Q There's a lot of communications going on</p> <p>21 during these couple of days. And it appears to me</p> <p>22 reading the e-mails that you're at a breaking point, a</p>	276	<p>1 Q If you had any interest in seeing the</p> <p>2 technology, you waived it or decided it wasn't</p> <p>3 important to close the transaction; true?</p> <p>4 A Not true.</p> <p>5 Q You closed without seeing --</p> <p>6 A We were not allowed by Adil to even get near</p> <p>7 it. He coveted it. He hid it in his basement.</p> <p>8 Q And you closed the transaction on August 12</p> <p>9 without access to it; true or false?</p> <p>10 A Based on his representations of what that</p> <p>11 software was, correct.</p> <p>12 Q Representations in the share purchase</p> <p>13 agreement?</p> <p>14 A Yes. Yes. Yeah.</p> <p>15 Q Any representations about Reliabot software</p> <p>16 anywhere else than the share purchase agreement?</p> <p>17 A Probably -- I'll think about that question.</p> <p>18 Many e-mails back and forth. Many conversations back</p> <p>19 and forth. But certainly in the acquisition</p> <p>20 documents.</p> <p>21 Q But as we sit here today, can you identify</p> <p>22 any other representations other than what I'm going to</p>

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277	<p>1 find in the share purchase agreement?</p> <p>2 A Other than what he said, other than what</p> <p>3 he's written, other than what the group has discussed,</p> <p>4 other than what we've agreed to in joint meetings</p> <p>5 together after closing, before closing.</p> <p>6 Q Okay.</p> <p>7 A His Web site.</p> <p>8 Q Okay. What other representations did</p> <p>9 Mr. Shafi make in writing about Reliabot software?</p> <p>10 A Oh, he made a lot of representations.</p> <p>11 Number 1, he represented he was the architect of</p> <p>12 Reliabot, which we found after the fact was not -- we</p> <p>13 found that out from his ex-employees. You know, that</p> <p>14 it was revenue ready. We found out after the fact</p> <p>15 that it was based on 1998 Visual 6 language that is</p> <p>16 outdated and no longer supported by Microsoft. I</p> <p>17 mean, there is a whole litany of things that were</p> <p>18 represented to us about his technology that we found</p> <p>19 out after the fact were incorrect.</p> <p>20 Q And what representations to that effect were</p> <p>21 made in writing?</p> <p>22 A We should go through the document, the</p>	279	<p>1 you?</p> <p>2 A No, no, no. But there were certain</p> <p>3 statements about his technology on his Web site that</p> <p>4 our scientists in Vancouver found to be untrue.</p> <p>5 Q But you closed anyway?</p> <p>6 A I think that they discovered all this after</p> <p>7 they were able to do -- a month after closing when</p> <p>8 they were able to do their evaluation of the software</p> <p>9 once they received the software.</p> <p>10 (Deposition Exhibit Number 31 was marked for</p> <p>11 identification.)</p> <p>12 BY MR. MURPHY:</p> <p>13 Q I'm showing you what we've marked as Exhibit</p> <p>14 Number 31.</p> <p>15 A Okay. Thank you.</p> <p>16 MR. GREEVES: Thanks.</p> <p>17 THE WITNESS: May, still.</p> <p>18 BY MR. MURPHY:</p> <p>19 Q Still in May. I'm sorry.</p> <p>20 A Wow.</p> <p>21 Q I can apologize to you.</p> <p>22 A That's cool.</p>
278	<p>1 transaction document rep by rep, and his Shafi</p> <p>2 pipeline revenue forecast where it represented that</p> <p>3 his technology was revenue ready.</p> <p>4 Q If the share purchase agreement contains a</p> <p>5 clause that says all of the representations and</p> <p>6 negotiations up to this point are merged into the</p> <p>7 share purchase agreement, is it appropriate for you to</p> <p>8 rely on representations that are not found in the</p> <p>9 share purchase agreement?</p> <p>10 MR. GREEVES: Objection. It's hypothetical.</p> <p>11 THE WITNESS: Can you ask me that again,</p> <p>12 please. I'm sorry. I didn't catch that.</p> <p>13 BY MR. MURPHY:</p> <p>14 Q Are you saying that you relied upon</p> <p>15 representations about Reliabot software that were</p> <p>16 found outside of the share purchase agreement?</p> <p>17 A I think those representations were mainly in</p> <p>18 the share purchase agreement. But there were many</p> <p>19 e-mails going back and forth and Adil representing his</p> <p>20 technology. His Web site was one of them.</p> <p>21 Q Well, you wouldn't expect him to have</p> <p>22 proprietary code information on his Web site, would</p>	280	<p>1 MR. GREEVES: You guys should be apologizing</p> <p>2 to us.</p> <p>3 MR. MURPHY: Okay. I apologize to everybody</p> <p>4 in the room, including Madam Court Reporter.</p> <p>5 BY MR. MURPHY:</p> <p>6 Q I just want to ask you, you reiterate, and I</p> <p>7 think it's in blue on your copy, I'm not sure, under</p> <p>8 the heading "Commercial," the very last bullet point,</p> <p>9 beginning at the right side of the first line.</p> <p>10 A Uh-huh.</p> <p>11 Q "Please channel all your questions and calls</p> <p>12 through me."</p> <p>13 Actually, I'm sorry. This was Mr. Shafi</p> <p>14 responding to your request to do that?</p> <p>15 A Uh-huh.</p> <p>16 Q And so Mr. Shafi expressed his agreement to</p> <p>17 that, right?</p> <p>18 A Yes. Was this before or after his problem</p> <p>19 number 1 and problem number 2 e-mail? This is</p> <p>20 dated -- oh, this is after. So after he sent that</p> <p>21 e-mail, he said 90 percent of... gees.</p> <p>22 MR. GREEVES: Any other questions about</p>

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281	<p>1 that?</p> <p>2 MR. MURPHY: No. There was no question</p> <p>3 pending either before that statement was made.</p> <p>4 THE WITNESS: I'm sorry. I was talking to</p> <p>5 myself.</p> <p>6 MR. GREEVES: That was 31.</p> <p>7 MS. KOVAL: But it was marked and no</p> <p>8 questions about it.</p> <p>9 MR. GREEVES: I didn't hear any questions.</p> <p>10 THE WITNESS: He asked me about the blue</p> <p>11 lettering.</p> <p>12 MR. GREEVES: Yeah.</p> <p>13 MS. KOVAL: Oh.</p> <p>14 (Discussion off the record.)</p> <p>15 (Deposition Exhibit Number 32 was marked for</p> <p>16 identification.)</p> <p>17 BY MR. MURPHY:</p> <p>18 Q I'm showing you what we've marked as</p> <p>19 Exhibit 32.</p> <p>20 A June. Wow.</p> <p>21 Q This is an e-mail from you at</p> <p>22 weidingerfamily.com to Mr. Shafi dated June 1, 2008,</p>	283	<p>1 so confusing. I tried to make sense of this myself,</p> <p>2 for myself, because I'm not as smart as these</p> <p>3 technical guys.</p> <p>4 Q Is Exhibit 33, chart A, associated with the</p> <p>5 e-mail?</p> <p>6 A It says chart A. I don't see a chart A up</p> <p>7 here. But....</p> <p>8 MR. GREEVES: Is that your handwriting?</p> <p>9 THE WITNESS: Yes, this is my handwriting,</p> <p>10 yeah.</p> <p>11 BY MR. MURPHY:</p> <p>12 Q Did you prepare this?</p> <p>13 A With information that I was given from I</p> <p>14 think Adil and Babak and Remus.</p> <p>15 Q Well, Exhibit 33 was the schematic, if you</p> <p>16 will, of what you were talking about the business</p> <p>17 combination would be at the time?</p> <p>18 A The partnership.</p> <p>19 Q Yes.</p> <p>20 A Yep.</p> <p>21 Q And then you identify five other documents</p> <p>22 where signatures were required for signoff. What did</p>
282	<p>1 true?</p> <p>2 A This is not the complete. There's a</p> <p>3 blacked-out mark, too. I don't know what that is.</p> <p>4 MR. GREEVES: You're talking about the</p> <p>5 e-mail or the attachments or --</p> <p>6 MR. MURPHY: The e-mail.</p> <p>7 MR. GREEVES: I think he's just referring to</p> <p>8 the first page.</p> <p>9 THE WITNESS: Okay.</p> <p>10 BY MR. MURPHY:</p> <p>11 Q Is this an e-mail you sent on June 1, 2008?</p> <p>12 A It looks like it.</p> <p>13 Q And it attached --</p> <p>14 A It's from me to --</p> <p>15 Q -- several documents. True?</p> <p>16 A Yes, it says 1, 2, 3, 4 and 5.</p> <p>17 (Deposition Exhibit Number 33 was marked for</p> <p>18 identification.)</p> <p>19 BY MR. MURPHY:</p> <p>20 Q Okay. I'm handing you what we've marked</p> <p>21 Exhibit 33. And tell me if that was chart A?</p> <p>22 A I know. This is why it got so complex and</p>	284	<p>1 you mean by that?</p> <p>2 A I'm not sure.</p> <p>3 Q Did you want Mr. Shafi to sign off on those</p> <p>4 documents and get back to you?</p> <p>5 A Well, I mean, you're referring to the little</p> <p>6 footnote down here, which says -- at the bottom of</p> <p>7 this June 1 e-mail, it says "signatures required for</p> <p>8 signoff," which J.P. referred me to. And by each one</p> <p>9 of these it has names for signoff.</p> <p>10 I think it was -- I think what we were</p> <p>11 requiring is that everybody involved with these</p> <p>12 certain subjects sign off on them.</p> <p>13 Q In other words, everybody had a meeting of</p> <p>14 the minds, an agreement? Yes?</p> <p>15 A Yep. But we never got through the first</p> <p>16 one.</p> <p>17 I kind of like this. I should have framed</p> <p>18 it.</p> <p>19 (Deposition Exhibit Number 34 was marked for</p> <p>20 identification.)</p> <p>21 BY MR. MURPHY:</p> <p>22 Q I'm showing you Exhibit 34.</p>

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285	<p>1 A Okay.</p> <p>2 Q And, again, I'll represent to you that this</p> <p>3 was the attachment to the e-mail marked as Exhibit 32</p> <p>4 in its native format.</p> <p>5 A Okay.</p> <p>6 Q Does Exhibit 34, called "Technical</p> <p>7 Corroboration," look familiar?</p> <p>8 A I know that Adil and Babak were working on</p> <p>9 the technical aspects of this partnership. I'm not</p> <p>10 sure who produced this document.</p> <p>11 (Deposition Exhibit Number 35 was marked for</p> <p>12 identification.)</p> <p>13 BY MR. MURPHY:</p> <p>14 Q I'm showing you what we've marked as</p> <p>15 Exhibit 35.</p> <p>16 A Thank you.</p> <p>17 Q If the document originated or the document</p> <p>18 was sent with your e-mail, and Exhibit 35 shows that</p> <p>19 the author was Mr. Habibi, do you have any reason to</p> <p>20 quarrel with the fact that it originated with</p> <p>21 Braintech?</p> <p>22 MR. GREEVES: Sorry, counsel. I just have</p>	287	<p>1 THE WITNESS: It's got the title of being</p> <p>2 the partnership. And it also has the title of it's a</p> <p>3 work in progress. This is the swirling.</p> <p>4 BY MR. MURPHY:</p> <p>5 Q So the question is, is this your description</p> <p>6 of the partnership at the time that you sent it to</p> <p>7 Mr. Shafi on June 1, 2008?</p> <p>8 MR. GREEVES: Same objection. Foundation.</p> <p>9 THE WITNESS: I think this was a work in</p> <p>10 progress. I think it was, like I said, the structure</p> <p>11 and the terms and everything was continually swirling.</p> <p>12 BY MR. MURPHY:</p> <p>13 Q Yeah. But as of the date of this document,</p> <p>14 June 1, the writing on this document is fixed; true or</p> <p>15 false?</p> <p>16 A False. Because at the very top, J.P., it</p> <p>17 says clearly, "work in progress," which means that</p> <p>18 this is still progressing, this is still moving, this</p> <p>19 is still swirling.</p> <p>20 Q Is this your description of where the</p> <p>21 discussions were as of June 1, 2008?</p> <p>22 A There may have been another offering later</p>
286	<p>1 to think about this for a second. So are you saying</p> <p>2 35 tells you who authored 34?</p> <p>3 MR. MURPHY: Yep.</p> <p>4 MR. GREEVES: Okay. Thank you. That's the</p> <p>5 question I think he's put to you.</p> <p>6 THE WITNESS: Right. I'm not sure who took</p> <p>7 the pen on this first. I mean, it wouldn't surprise</p> <p>8 me that Babak took the pen first. But I think what</p> <p>9 this was, it was a joint effort between Adil and</p> <p>10 Babak. This is way over my pay grade.</p> <p>11 I did understand this (indicating).</p> <p>12 (Deposition Exhibit Number 36 was marked for</p> <p>13 identification.)</p> <p>14 BY MR. MURPHY:</p> <p>15 Q I'm showing you what we marked as</p> <p>16 Exhibit 36.</p> <p>17 A 36. Thank you.</p> <p>18 MR. GREEVES: Thanks.</p> <p>19 BY MR. MURPHY:</p> <p>20 Q Was this your description of the partnership</p> <p>21 at that time?</p> <p>22 MR. GREEVES: Objection. Foundation.</p>	288	<p>1 on that day. You know, this is, like I said, a work</p> <p>2 in progress. It was -- this thing moved constantly.</p> <p>3 MR. GREEVES: So just so I'm clear, because</p> <p>4 I'm becoming clueless now, which probably doesn't</p> <p>5 surprise anybody, with regard to RW 36, counsel, are</p> <p>6 you suggesting that RW 36 is the document that is</p> <p>7 referred to as 4 among the attached best and final</p> <p>8 documents in RW 32?</p> <p>9 MR. MURPHY: Actually, I don't know.</p> <p>10 THE WITNESS: That's a good question.</p> <p>11 MR. MURPHY: I think it's actually the term</p> <p>12 sheet, item number 3. But I'll pose that question to</p> <p>13 Mr. Weidinger.</p> <p>14 MR. GREEVES: Well, the term -- sorry. Not</p> <p>15 to interrupt. But the term sheet that's referred to</p> <p>16 under number 3, signatures required for, on 32, but</p> <p>17 it's also referred to as number 4, term sheet for</p> <p>18 transaction, work in progress, if all -- whatever.</p> <p>19 So I mean, is -- what is it that you're</p> <p>20 trying to -- that this is part of the e-mail that was</p> <p>21 sent in 32? Is that what you're suggesting?</p> <p>22 MR. MURPHY: I'll make a statement for the</p>

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289	<p>1 record --</p> <p>2 MR. GREEVES: Okay.</p> <p>3 MR. MURPHY: -- that I have the e-mail in</p> <p>4 native format, and it's got Exhibit 36 attached to it.</p> <p>5 MR. GREEVES: Okay. Thank you. That's</p> <p>6 helpful. I appreciate that.</p> <p>7 THE WITNESS: So we don't know which one it</p> <p>8 is either.</p> <p>9 BY MR. MURPHY:</p> <p>10 Q So understanding that it's a work in</p> <p>11 progress, this is your description of the progress to</p> <p>12 date as of June 1, 2008; true or false?</p> <p>13 MR. GREEVES: Object to the form.</p> <p>14 Foundation.</p> <p>15 THE WITNESS: Once again, it's a work in</p> <p>16 progress.</p> <p>17 BY MR. MURPHY:</p> <p>18 Q What exactly is it? In number 9 where you</p> <p>19 talk about Shafi consideration, do you see the sum of</p> <p>20 \$100,000 for a deposit?</p> <p>21 A I see that. But I mean, these aren't any of</p> <p>22 the terms and conditions that we ended up agreeing</p>	291	<p>1 agreed to, an acceptable deal? No.</p> <p>2 Q So this was not you making a proposal of the</p> <p>3 terms you were willing to commit to as of June 1,</p> <p>4 2008?</p> <p>5 A No. This was a work in progress.</p> <p>6 Q What did you mean by -- in the e-mail which</p> <p>7 we've marked as 32 --</p> <p>8 A Uh-huh.</p> <p>9 Q -- you say, and I'll read it, "We all need</p> <p>10 all, 1 through 5, of the above reviewed and agreed to</p> <p>11 prior to partial deposit with some sort of business</p> <p>12 security on Tuesday, June 3rd, 2008."</p> <p>13 Did I read that accurately?</p> <p>14 A Oh, you -- yes. Yes. I assume you did. I</p> <p>15 wasn't following. I was trying to find out what</p> <p>16 paragraph you were at. I just found it. Yes. I</p> <p>17 assume you read it accurately.</p> <p>18 Q Okay. So as of the date of this e-mail, if</p> <p>19 the attached documents were acceptable to all parties,</p> <p>20 this was your proposal as to how the partnership would</p> <p>21 proceed, true?</p> <p>22 A But these aren't acceptable terms until</p>
290	<p>1 to --</p> <p>2 Q I'm not asking you --</p> <p>3 A -- in the form of an acquisition. So it's</p> <p>4 not -- I think you're pressing me on is this a final</p> <p>5 document. Right on the top of it, it says "work in</p> <p>6 progress."</p> <p>7 Q No. Let's get that off the table. I'm not</p> <p>8 pressing you whether or not it's a final document.</p> <p>9 I'm simply asking you whether this was your</p> <p>10 understanding of acceptable terms as of June 1, 2008?</p> <p>11 A No.</p> <p>12 Q So --</p> <p>13 A Acceptable terms would not have been made</p> <p>14 until we signed on the dotted line --</p> <p>15 Q I understand.</p> <p>16 A -- and there was a transfer. Okay. Okay.</p> <p>17 I was very clear in my June 5th e-mail that</p> <p>18 it was associated with my wire transfer what the</p> <p>19 acceptable terms and conditions would be.</p> <p>20 Now you're asking me to back up and say work</p> <p>21 in progress on a completely different transaction, a</p> <p>22 completely different structure as something that I</p>	292	<p>1 they're agreed to in writing --</p> <p>2 Q I'm not asking --</p> <p>3 A -- and they're signed.</p> <p>4 Q I'm assuming --</p> <p>5 A Oh, I'm sorry.</p> <p>6 Q They weren't agreed to.</p> <p>7 A They weren't.</p> <p>8 Q Are you making a proposal or were you just</p> <p>9 writing stuff on a page that had nothing to do with</p> <p>10 any transaction?</p> <p>11 A Well, these papers went back and forth, back</p> <p>12 and forth. His comments, our comments. You know, the</p> <p>13 whole team's comments. Right.</p> <p>14 MR. GREEVES: Yep. Not to -- I'm confused</p> <p>15 about who wrote --</p> <p>16 THE WITNESS: I'm sorry.</p> <p>17 MR. GREEVES: -- who wrote 36. Have you --</p> <p>18 did you ask -- maybe I missed it. Did you ask</p> <p>19 Mr. Weidinger if he wrote 36?</p> <p>20 MR. MURPHY: No, I haven't. But maybe it</p> <p>21 will help if I do.</p> <p>22 (Deposition Exhibit Number 37 was marked for</p>

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293	<p>1 identification.)</p> <p>2 BY MR. MURPHY:</p> <p>3 Q I'm showing you what we've marked as</p> <p>4 Exhibit 37.</p> <p>5 A Uh-huh. 37.</p> <p>6 Q And the little window box there that comes</p> <p>7 up that shows Rick as the author obscures some of the</p> <p>8 document. But --</p> <p>9 A It could be Rick anybody.</p> <p>10 Q I'm sure it could be.</p> <p>11 Now, do you have any reason to dispute that</p> <p>12 you prepared this document and sent it to Mr. Shafi on</p> <p>13 June 1, 2008?</p> <p>14 MR. GREEVES: This document being 36?</p> <p>15 MR. MURPHY: 36.</p> <p>16 THE WITNESS: No, I don't. I mean, it would</p> <p>17 be like me to put "work in progress" on something</p> <p>18 that's swirling around like this.</p> <p>19 BY MR. MURPHY:</p> <p>20 Q And was this intended by you to be an offer</p> <p>21 as to what the terms of the partnership would be in</p> <p>22 your view as of June 1, 2008?</p>	295	<p>1 A No. But I think as I tried to articulate</p> <p>2 before, in these transactions, there's a lot of moving</p> <p>3 parts. And they are very complicated. And one</p> <p>4 depends on the other depends on the other.</p> <p>5 So I don't -- I think it's really an</p> <p>6 injustice to take one number out of a very complicated</p> <p>7 transaction, say, okay, you agreed to that, when</p> <p>8 that's really not the case.</p> <p>9 If there's 10 or 15 or 20 or 50 or 100</p> <p>10 elements in a transaction, really, you've got to have</p> <p>11 a meeting of the minds on all of them.</p> <p>12 Q So when you use the term at the top of the</p> <p>13 page "agreed-to business terms," you didn't really</p> <p>14 mean to indicate that what followed were terms that</p> <p>15 you believed had been agreed to as of June 1?</p> <p>16 A No. Because it says "work in progress"</p> <p>17 right underneath it. These were the terms that we</p> <p>18 were trying to come to an understanding, right, and</p> <p>19 have them all kind of settle and deposit on a piece of</p> <p>20 paper. So as a group we could all huddle around them,</p> <p>21 consider them, think about them and to decide as a</p> <p>22 group whether this makes sense for us to go forward or</p>
294	<p>1 A No. I think -- I mean, we were just trying</p> <p>2 to -- you know, there were so many pieces swirling</p> <p>3 around. I mean very complicated pieces. And I think</p> <p>4 what we were trying to -- attempting to do is try to</p> <p>5 put them in each respective group, right? Put</p> <p>6 something that was coherent on paper so we could all</p> <p>7 then examine it and see if we could all agree to it.</p> <p>8 And, you know, unfortunately, fortunately,</p> <p>9 whatever, we couldn't. So that's why this type of</p> <p>10 structure, J.P., never happened. So I wouldn't -- I</p> <p>11 wouldn't label this as an offer.</p> <p>12 Q Well, looking at paragraph 9 of Exhibit 36,</p> <p>13 we have the mysterious return of the \$100,000 which</p> <p>14 was proposed as a deposit well prior to June 1, 2008,</p> <p>15 true?</p> <p>16 A It says here \$100,000 plus 750,000 shares at</p> <p>17 a penny plus 250,000 stock options priced at closing</p> <p>18 on the date of execution, correct.</p> <p>19 Q And when you wrote that, you weren't --</p> <p>20 that -- you weren't contemplating making a \$100,000</p> <p>21 deposit? You're just putting it on the table for --</p> <p>22 because it had been discussed?</p>	296	<p>1 not.</p> <p>2 Unfortunately or fortunately that happened</p> <p>3 and the group mutually decided no, that this</p> <p>4 arrangement is not going to work for him, and it's not</p> <p>5 going to work for us. So let's -- if we want to</p> <p>6 continue on, then let's talk about an acquisition.</p> <p>7 Q So despite the language in 9b, you never</p> <p>8 made a proposal where Braintech would pay \$50,000 a</p> <p>9 month to Shafi as long as access and acceleration was</p> <p>10 successful and continuing?</p> <p>11 A Correct. Because we never agreed to this</p> <p>12 structure --</p> <p>13 Q But in your negotiations --</p> <p>14 A -- which is a partnership structure.</p> <p>15 Q But in your negotiations, you never even</p> <p>16 offered that?</p> <p>17 A Well, I mean, offered? I mean, we -- you</p> <p>18 know, like I -- you know -- I'm trying to be as clear</p> <p>19 as I can.</p> <p>20 Like I said, there were many elements of</p> <p>21 this thing swirling around all the time. They would</p> <p>22 change. And, you know, we would find out more. And,</p>

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297	<p>1 technically, this couldn't work. And then Adil was 2 getting upset because, all of a sudden, we were losing 3 his trust because we were, you know, uncovering more 4 about things, and we had to change things. And we had 5 to discuss different things. 6 I mean, it was -- it was a swirl. That's 7 the best I can describe it. 8 Q Here is a yes or no question. 9 A Okay. I'm sorry. 10 Q Braintech offered to make \$50,000 monthly 11 payments for a period of 12 months as of June 1, 2008; 12 yes or no? 13 A No, they did not, because this is based on a 14 partnership arrangement, which the parties agreed not 15 to pursue. And this is a work in progress. 16 Q Assuming the partnership deal came to 17 fruition, Braintech offered, as part of that deal, 18 \$50,000 monthly payments for a period of 12 months, 19 assuming successful and continuing access and 20 acceleration. True or false? 21 A False. Many more elements to consider. 22 (Deposition Exhibit Number 38 was marked for</p>	299	<p>1 A I call them swirling, yes. 2 Q Whatever you want to call them. So there 3 may have been a prior iteration of this. But I don't 4 think that you've seen this before. 5 A Oh, okay. 6 Q You can take that for what it's worth. 7 So was this the closing schedule that you 8 were proposing as of June 1 on the basis of the 9 partnership discussions? 10 MR. GREEVES: I object to the form. 11 THE WITNESS: I'm going to construct it. 12 MS. KOVAL: How are we going to line these 13 up? I'm sorry. What are you asking him to do with 14 these documents? 15 THE WITNESS: While you line it up, can I 16 have 2 minutes to use the bathroom? 17 MR. MURPHY: Sure. 18 (Whereupon, a recess was taken between 19 5:26 p.m. and 5:31 p.m.) 20 MR. GREEVES: What was the pending question? 21 MR. MURPHY: I'll repeat it. 22 MR. GREEVES: Yes.</p>
298	<p>1 identification.) 2 BY MR. MURPHY: 3 Q We've marked Exhibit 38. And while we're at 4 it, let's mark 39, too. 5 A Is this the schedule we looked at before? 6 Yep. 7 (Deposition Exhibit Number 39 was marked for 8 identification.) 9 BY MR. MURPHY: 10 Q 38 -- 11 A Rick. 12 Q -- is the closing schedule that you were 13 proposing in connection with the partnership 14 discussions; true or false? 15 And, you know, the way it comes out, you 16 actually have to -- 17 A Yeah. Put it side by side, yeah. But isn't 18 this the closing schedule you showed us earlier, in an 19 earlier question? 20 Q Let me just say for the record, and you know 21 this, that these documents were continuously being 22 changed and updated and revised.</p>	300	<p>1 BY MR. MURPHY: 2 Q Exhibit 38 was the closing schedule that you 3 were proposing as of June 1 on the basis of the 4 partnership discussions. True? 5 A It appears so, yes. And these closing 6 schedules are very dynamic documents, too. 7 Q And based upon Exhibit 39, do you take issue 8 with what appears to be the fact that you prepared 9 Exhibit 38? 10 A It says "Rick." I guess that's me. 11 MR. GREEVES: That's 39. 12 THE WITNESS: Oh, I'm sorry. I missed that. 13 I'm sorry. 14 (Deposition Exhibit Number 40 was marked for 15 identification.) 16 BY MR. MURPHY: 17 Q I'm showing you what we've marked 18 Exhibit 40. This is an e-mail from you at 19 weidingerfamily.com to Mr. Shafi the same date, 20 June 1, 2008. True? 21 A Yeah. I don't know what this forecast is. 22 But, yeah, it appears to be.</p>

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301	<p>1 Q And you're asking Mr. Shafi to sign off on a</p> <p>2 revenue forecast?</p> <p>3 A His revenue forecast, correct. It says here</p> <p>4 the Braintech Shafi partnership forecast. I think</p> <p>5 it's a document that we --</p> <p>6 Q We'll mark a new one.</p> <p>7 A Okay.</p> <p>8 (Deposition Exhibit Number 41 was marked for</p> <p>9 identification.)</p> <p>10 BY MR. MURPHY:</p> <p>11 Q I'm showing you Number 41. Do you remember</p> <p>12 sending this to Mr. Shafi around June 1, 2008?</p> <p>13 A If you say this was attached in my e-mail.</p> <p>14 Q Do you have any reason to believe that it</p> <p>15 wasn't attached to your e-mail?</p> <p>16 A No, I don't. I mean, if you say this was</p> <p>17 attached to my e-mail that I sent to Adil, then I</p> <p>18 guess it was.</p> <p>19 Q Okay.</p> <p>20 A I don't --</p> <p>21 Q At the bottom, it's got the same list of</p> <p>22 assumptions and discussions that we've had some</p>	303	<p>1 five specific things to be signed off on prior to a</p> <p>2 partial deposit.</p> <p>3 A Okay. As of June 1, right?</p> <p>4 Q Yes. And then you sent this revenue</p> <p>5 forecast separately and you asked Mr. Shafi to -- you</p> <p>6 asked Mr. Shafi that -- you told Mr. Shafi that he</p> <p>7 needed to sign off on the revenue forecast?</p> <p>8 A Okay.</p> <p>9 Q So is it appropriate for me to understand</p> <p>10 and assume that you had already approved of this</p> <p>11 revenue forecast, you just needed Mr. Shafi's signoff,</p> <p>12 and then you were ready to proceed to the partnership</p> <p>13 deal?</p> <p>14 MR. GREEVES: Objection to the form of the</p> <p>15 question.</p> <p>16 THE WITNESS: No. This was not my revenue</p> <p>17 forecast.</p> <p>18 BY MR. MURPHY:</p> <p>19 Q I'm not asking you if this was your revenue</p> <p>20 forecast.</p> <p>21 A But you just said that --</p> <p>22 Q I'm asking you if you asked Mr. Shafi to</p>
302	<p>1 questions and answers on that I'm not going to repeat.</p> <p>2 A Uh-huh.</p> <p>3 Q Do you see that?</p> <p>4 A Was there 15 there? 15. Yep. And there</p> <p>5 was 15 in the other one.</p> <p>6 Q And right above the assumptions and</p> <p>7 discussions, there's something that we hadn't seen.</p> <p>8 "Shafi Innovation headcount." And it has the</p> <p>9 number 5. Since this came from you, I'm assuming that</p> <p>10 you were signing off on five employee headcount at</p> <p>11 Shafi under the partnership deal?</p> <p>12 A No. I was not the author of this schedule.</p> <p>13 Nor was I the author of the content of this schedule.</p> <p>14 And I was forwarding this to Adil and asking him to</p> <p>15 sign off on this, his revenue forecast.</p> <p>16 Q What was your expectation of what would</p> <p>17 happen after Mr. Shafi signed off on the revenue</p> <p>18 forecast?</p> <p>19 A I don't know if I had an expectation. I</p> <p>20 mean, what do you mean by that?</p> <p>21 Q Well, under the partnership iteration of the</p> <p>22 deal, back -- going back to Exhibit 32, you needed</p>	304	<p>1 sign off on the revenue forecast as part of a</p> <p>2 partnership deal that you were negotiating with</p> <p>3 Mr. Shafi on June 1, 2008?</p> <p>4 A My e-mail that you just handed me says</p> <p>5 "Adil, I need you to sign off on revenue forecast."</p> <p>6 Q So if Mr. Shafi signed off on it and said</p> <p>7 that it was acceptable, what happened next?</p> <p>8 MR. GREEVES: Objection. That calls for</p> <p>9 speculation. But go ahead. You can answer.</p> <p>10 THE WITNESS: I mean, you know, I'm not sure</p> <p>11 what -- what lawyery -- lawyering -- law -- how do you</p> <p>12 say it?</p> <p>13 MR. GREEVES: Lawyering.</p> <p>14 MS. KOVAL: Lawyering.</p> <p>15 THE WITNESS: Route you're taking. But we</p> <p>16 didn't, as you know, we didn't do this partnership</p> <p>17 arrangement. There were very -- there were very</p> <p>18 critical, very significant, very material technical</p> <p>19 reasons why we couldn't do that.</p> <p>20 So I'm really confused about your line of</p> <p>21 questioning when you ask me, okay, if he did this,</p> <p>22 then what? I mean, I don't know then what.</p>

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305	<p>1 BY MR. MURPHY:</p> <p>2 Q Well --</p> <p>3 A For very good critical -- and this is my</p> <p>4 point I think I was trying to articulate that I just</p> <p>5 botched, and I apologize for wasting your time. But</p> <p>6 there were very significant, critical and very</p> <p>7 important technical reasons why we couldn't pursue the</p> <p>8 partnership. And that was mutually agreed to between</p> <p>9 the partners --</p> <p>10 Q Is anything --</p> <p>11 A -- the parties.</p> <p>12 Q -- in the revenue forecast which is</p> <p>13 Exhibit 48 related to technical issues?</p> <p>14 MR. GREEVES: 48?</p> <p>15 MR. MURPHY: 41. Sorry.</p> <p>16 THE WITNESS: Well, I mean, it has to do --</p> <p>17 it's got everything to do with technical reasons.</p> <p>18 BY MR. MURPHY:</p> <p>19 Q It's --</p> <p>20 A It's a revenue forecast that's based on</p> <p>21 technology, the sale of technology.</p> <p>22 Q So --</p>	307	<p>1 parties -- there were -- you know, there are four or</p> <p>2 five parties involved in this.</p> <p>3 BY MR. MURPHY:</p> <p>4 Q Okay.</p> <p>5 A Making sense of the pieces.</p> <p>6 Q Looking at Exhibit 40 --</p> <p>7 A 40.</p> <p>8 Q -- and tell me who else needed to sign off</p> <p>9 on the revenue forecast.</p> <p>10 A I think that was Adil and Jim.</p> <p>11 MR. GREEVES: Exhibit 40? You're looking at</p> <p>12 32, Rick?</p> <p>13 THE WITNESS: No, I'm looking at 40.</p> <p>14 MR. GREEVES: Okay.</p> <p>15 THE WITNESS: Adil needs to sign off on</p> <p>16 revenue. I think both Adil and Jim needed to sign off</p> <p>17 on the revenues. They were the ones responsible for</p> <p>18 the revenue. Adil from his installed base revenue</p> <p>19 ready, and Jim from Braintech. Right?</p> <p>20 BY MR. MURPHY:</p> <p>21 Q You didn't include Mr. Dara in your e-mail.</p> <p>22 A Right. Because -- right. Good observation.</p>
306	<p>1 A The sale of technology that's been</p> <p>2 represented and presumed revenue ready.</p> <p>3 Q So why are you sending this to Mr. Shafi if</p> <p>4 it has nothing to do with anything?</p> <p>5 A Because I think, J.P., at this time we were</p> <p>6 trying to get -- it was a work in progress. We were</p> <p>7 trying to get a meeting of the minds of this</p> <p>8 partnership arrangement. Right? So we were trying to</p> <p>9 put the pieces together. Like I said before, there</p> <p>10 were several pieces. They were very complicated. It</p> <p>11 was swirling around. So we were trying to get them</p> <p>12 all set, all reviewed and all agreed to.</p> <p>13 That's what we were trying to do.</p> <p>14 Q And so --</p> <p>15 A But we could never get the pieces finally</p> <p>16 together in a partnership arrangement.</p> <p>17 Q And so your e-mail asking Mr. Shafi to buy</p> <p>18 in on it doesn't indicate that you're okay with this</p> <p>19 and you needed him to be okay with it?</p> <p>20 MR. GREEVES: Objection to the form of the</p> <p>21 question.</p> <p>22 THE WITNESS: Well, I mean, all the</p>	308	<p>1 These were Adil's revenue forecasts. Why would Jim</p> <p>2 sign off on his revenue forecast? Jim had nothing to</p> <p>3 do with his forecast. Adil's forecasts were his</p> <p>4 forecasts.</p> <p>5 Q I'm trying to understand, Mr. Weidinger --</p> <p>6 A Yes.</p> <p>7 Q -- why -- what was in your head when you</p> <p>8 said you needed Adil to sign off on the revenue</p> <p>9 forecast. What was the purpose of needing Mr. Shafi's</p> <p>10 signoff on the revenue forecast?</p> <p>11 A Okay. You and I may be disconnecting with</p> <p>12 each other again. It's pretty simple. Adil was</p> <p>13 submitting his -- submitting and representing his</p> <p>14 revenue forecast, right? And we were just asking him</p> <p>15 to sign off on it, as this exhibit that you gave us,</p> <p>16 32, says signatures required for signoff.</p> <p>17 Part of that signoff was Adil's revenue</p> <p>18 forecast. And I'm asking Adil, this is your revenue</p> <p>19 forecast from your installed base. This is your</p> <p>20 pipeline. Please sign off on it.</p> <p>21 Q Why did you need him to sign off on it?</p> <p>22 A Because I said we were trying to put the</p>

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309	<p>1 pieces of this very complicated partnership together.</p> <p>2 And this is one of the pieces.</p> <p>3 Q If Mr. Shafi signs off on this, does that</p> <p>4 mean there's agreement on both sides because it came</p> <p>5 from you?</p> <p>6 A No. Because there were multiple pieces.</p> <p>7 And I think, you know --</p> <p>8 Q I'm not talking about the multiple pieces.</p> <p>9 A Oh.</p> <p>10 Q I'm talking about one piece. I'm talking</p> <p>11 about --</p> <p>12 A On the revenue.</p> <p>13 Q -- the revenue forecast?</p> <p>14 A Well, this is his revenue forecast, J.P.</p> <p>15 And if he signed off on it, then I would be okay with</p> <p>16 it. Is that what you're asking me?</p> <p>17 Q That's exactly what I'm asking you.</p> <p>18 A Okay. Thank you.</p> <p>19 Q So it originated from you, you were okay</p> <p>20 with it, you sent it to him?</p> <p>21 A It didn't -- I'm sorry. I interrupted you.</p> <p>22 I'm sorry.</p>	311
310	<p>1 MR. GREEVES: Objection to the form. He's</p> <p>2 testified that --</p> <p>3 BY MR. MURPHY:</p> <p>4 Q You had it in your possession. You e-mailed</p> <p>5 it to Mr. Shafi?</p> <p>6 A Earlier you said this was my forecast. It</p> <p>7 wasn't my forecast.</p> <p>8 Q I didn't say it was your forecast.</p> <p>9 A Okay. Well, it clearly wasn't my forecast.</p> <p>10 It was Shafi's forecast --</p> <p>11 Q You've made a fine record that this is not</p> <p>12 your forecast.</p> <p>13 A You just -- okay.</p> <p>14 Q On June 1 --</p> <p>15 MR. GREEVES: No question pending.</p> <p>16 BY MR. MURPHY:</p> <p>17 Q -- you sent an e-mail which attached the</p> <p>18 forecast to Mr. Shafi, true?</p> <p>19 A Yes. True.</p> <p>20 Q Indicating that you needed Mr. Shafi's</p> <p>21 signoff on it, true?</p> <p>22 A True, correct.</p>	312

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313	<p>1 forecasts. Correct.</p> <p>2 Q And your point is that revenue under this</p> <p>3 enhanced egg of 1.65 million will not justify the cost</p> <p>4 of the partnership?</p> <p>5 MR. GREEVES: Objection to the form of the</p> <p>6 question.</p> <p>7 THE WITNESS: What's that?</p> <p>8 MR. GREEVES: I said objection to the form</p> <p>9 of the question.</p> <p>10 THE WITNESS: Well, from all -- I think it</p> <p>11 germinated from all previous conversations. The</p> <p>12 number that we discussed was much greater than that.</p> <p>13 I think I was just surprised at how low it was.</p> <p>14 (Deposition Exhibit Number 44 was marked for</p> <p>15 identification.)</p> <p>16 BY MR. MURPHY:</p> <p>17 Q I'm showing you what we've marked Exhibit</p> <p>18 Number 44.</p> <p>19 A Uh-huh. We're still on June 1.</p> <p>20 Q Now, you send the same message that was</p> <p>21 previously sent but now it's in caps with three</p> <p>22 exclamation points, "Do not contact Braintech</p>	315	<p>1 Q Despite the command, do not contact</p> <p>2 Braintech employees, you expected that Mr. Shafi would</p> <p>3 continue to talk to Mr. Dara?</p> <p>4 A What I expected him to do is to at least</p> <p>5 notify me of his conversations with our employees so I</p> <p>6 could somehow manage this so we could do our job.</p> <p>7 Q Where does --</p> <p>8 A I wasn't sure --</p> <p>9 Q Where does it say in your e-mail that you</p> <p>10 wanted him to do something other than not contact</p> <p>11 Braintech employees?</p> <p>12 A Well, see, that's what I'm saying.</p> <p>13 Typically I have -- you know, I don't know if this is</p> <p>14 the entire e-mail.</p> <p>15 MR. GREEVES: Counsel, are you proffering</p> <p>16 that this is a sent e-mail?</p> <p>17 MR. MURPHY: Yeah.</p> <p>18 MR. GREEVES: Okay.</p> <p>19 THE WITNESS: Typically --</p> <p>20 MR. GREEVES: And you're not going to --</p> <p>21 MR. MURPHY: I have it in electronic format.</p> <p>22 THE WITNESS: I mean typical --</p>
314	<p>1 employees."</p> <p>2 A Uh-huh.</p> <p>3 Q Do you remember sending that?</p> <p>4 A I remember discussing with Shafi to not</p> <p>5 contact all our Brain -- any of our Braintech</p> <p>6 employees. I mean, we hadn't closed. We hadn't</p> <p>7 signed a letter of intent. And it was quite awkward</p> <p>8 that he would be picking up the phone and talking to,</p> <p>9 you know, this person, that person, without at least</p> <p>10 me knowing of it. I mean, these people were busy.</p> <p>11 They had jobs to do. And they have responsibilities.</p> <p>12 And they were constantly being called and badgered by</p> <p>13 him.</p> <p>14 It's not like me to just put my comment in a</p> <p>15 heading like that. Usually I write something below.</p> <p>16 Q But you understood that Mr. Shafi was</p> <p>17 working very closely, and you described it earlier as</p> <p>18 joined at the hip, with respect to the forecasting and</p> <p>19 the access and acceleration, true?</p> <p>20 A And he continued to be, correct.</p> <p>21 Q So --</p> <p>22 A And he continued to be, yes.</p>	316	<p>1 MR. GREEVES: Hold on. Don't say anything.</p> <p>2 You're not going to show us the next document like</p> <p>3 another attachment to this or some other thing to it,</p> <p>4 right? You're proffering this is a stand-alone --</p> <p>5 MR. MURPHY: Yeah.</p> <p>6 MR. GREEVES: -- sent e-mail from</p> <p>7 Mr. Weidinger to Mr. Shafi?</p> <p>8 MR. MURPHY: Yeah.</p> <p>9 MR. GREEVES: All right. Thank you.</p> <p>10 THE WITNESS: But typical to Shafi, he</p> <p>11 didn't listen to me. He contacted Braintech employees</p> <p>12 anyways.</p> <p>13 BY MR. MURPHY:</p> <p>14 Q Well, this was a big issue for you, was it</p> <p>15 not?</p> <p>16 A Well, I -- I mean -- and I think if you</p> <p>17 think about it, it should be. I mean, I have a -- I</p> <p>18 had a finite set of employees that had a lot of work</p> <p>19 to get done and a lot to achieve. And, at this point,</p> <p>20 June 1, J.P., we didn't know where this transaction</p> <p>21 was. It sure -- it sure looked like it wasn't going</p> <p>22 to be in the form of a partnership. And I don't think</p>

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317	<p>1 at this time Adil and I really have engaged in an 2 acquisition conversation. 3 So in my mind, this transaction was probably 4 dead at the time. And, yet, Adil was still taking it 5 upon himself to call every day my employees. And they 6 had jobs to do. And this was probably a result of Jim 7 Dara calling me saying uncle. Or Pete Manias calling 8 me and saying uncle. 9 Q And the only -- 10 A Or Babak calling me and saying uncle. 11 Q And the only information that you chose to 12 express to Mr. Shafi was the simple instruction, "do 13 not contact Braintech employees," true? 14 A Well, what's the matter with that? 15 Q I'm not -- 16 A I was having almost constant dialogue with 17 Adil Shafi myself, right? It was such a distraction 18 for myself. 19 Q Listen, I'm not going to argue with you. 20 A I'm just trying to answer your question. 21 Q The question is -- 22 MS. KOVAL: Let's not interrupt the witness.</p>	319	<p>1 Q The fact is -- 2 A Very, very good. Because I -- because 3 Braintech needed Adil Shafi. I needed someone who 4 understood how to commercialize this technology. He 5 represented he could. He represented he was the 6 architect of this technology. I trusted him. I 7 believed that. I needed revenue from an installed 8 base that was already commercialized. I needed Shafi 9 pipeline. I needed Shafi customers. I needed Shafi 10 technology. And I needed a leader in my organization 11 who could commercialize and sell this technology. And 12 I thought it was him. 13 Q What's the typical lead time in the vision 14 guided robotic software between a request for a quote 15 and a purchase order? 16 A It depends on what application you're 17 talking about, J.P. If it's an application that 18 you've already done, then it's -- if you have the 19 software platform that you can scale -- which Reliobot 20 doesn't, and we can get into that tomorrow -- it 21 depends on what application you're talking about. And 22 if it -- it requires -- and whether it requires</p>
318	<p>1 I believe he was still in the midst of his answer 2 before you interrupted. 3 BY MR. MURPHY: 4 Q The question is the only piece of that -- 5 A I've forgotten the question. 6 Q The only piece of all of those issues that 7 you talked about, with all of the employees spending 8 time talking to Mr. Shafi, the only thing you put in 9 that e-mail was do not contact Braintech employees, 10 true? 11 A I don't know. I don't know. Like I said -- 12 like I just said, typically, I have dialogue below 13 that. It's very rare that I send out just a subject 14 heading. I mean I -- but even if that's the case, 15 what's wrong with that? I'm the CEO of a company 16 trying to protect my employees from continuing 17 badgeration of Adil Shafi. 18 And you keep shaking your head over there. 19 You can -- you can -- you can depose them. 20 Q Why didn't you terminate the deal and walk 21 away? 22 A That is a very, very good question.</p>	320	<p>1 another science project or not. 2 We found out from Reliobot that it does. In 3 our software, there's -- we have AccuTest and -- 4 AccuCalibrate and AccuTrain. So there's some 5 platforms that you can scale and they repeat the same. 6 We didn't find that in Reliobot. 7 Q During this time -- 8 A And I'm not saying this, but the -- the four 9 or five Ph.D.s that examined his technology a week 10 after -- or a month after closing, they discovered 11 this. 12 Q During this time period, another of 13 Mr. Shafi's complaints was that he was spending all of 14 his time on developing the access and acceleration 15 agreement, and he was not devoting any time to Shafi, 16 Inc. business. 17 Do you recall him making that statement to 18 you? 19 A I remember him saying that he was spending a 20 lot of time on this transaction, as we all were. And 21 that's why I was trying to protect my employees. I 22 was trying to insulate them from being subject to the</p>

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321	<p>1 same, you know, crunching time.</p> <p>2 I was okay with it, right? I was spending</p> <p>3 an inordinate -- inordinate amount of time on this</p> <p>4 thing. Over 6 months. And I spent a lot of resources</p> <p>5 trying to close this.</p> <p>6 Q Why was it that \$1.6 million in enhanced egg</p> <p>7 forecasted revenue didn't justify the partnership?</p> <p>8 A With his past experience and all the</p> <p>9 applications and solutions he sold, and with us</p> <p>10 ramping up our industrial side of our business coming</p> <p>11 out from underneath our one channel partner agreement,</p> <p>12 I thought, you know, one plus one equaled three. And</p> <p>13 to me three meant more than 1.65 for revenue for 2009.</p> <p>14 Q Essentially, when this deal did close, this</p> <p>15 was a start-up business; true or false?</p> <p>16 A Well, that's one of the -- that was one of</p> <p>17 our attractions to Adil. I mean we were coming --</p> <p>18 when I came to this company, it had one customer and</p> <p>19 one channel, with no commercialization.</p> <p>20 Q And --</p> <p>21 A And then that terminated by its terms in</p> <p>22 December of 2008. And so I called it a restart.</p>	323	<p>1 A It -- it ended up that way. It ended up to</p> <p>2 be that way, yes. At least Silicon Valley Bank</p> <p>3 thought that.</p> <p>4 Q You knew, while you were negotiating these</p> <p>5 various permutations of the deal with Mr. Shafi, of a</p> <p>6 deal with Mr. Shafi, that if revenue didn't come in,</p> <p>7 Braintech's existence would come to an end?</p> <p>8 A No, I didn't. Like I said, I didn't expect</p> <p>9 Braintech's existence to come to an end. I had a very</p> <p>10 supportive LC shareholder base. I had a government</p> <p>11 contract, right? And I had every hope in Adil Shafi</p> <p>12 and his pipeline and his technology and his</p> <p>13 leadership.</p> <p>14 MR. MURPHY: I think this is probably a good</p> <p>15 place to stop.</p> <p>16 MR. GREEVES: Okay.</p> <p>17 Why don't we leave it on until we figure out</p> <p>18 what we're going to do for tomorrow, so I have a</p> <p>19 better understanding about that.</p> <p>20 What's your plan? I mean, when are you</p> <p>21 available to come back tomorrow to finish?</p> <p>22 MR. MURPHY: What time do you guys want to</p>
322	<p>1 Q You have no issue with -- I mean restart or</p> <p>2 start-up, that's really what was going on here?</p> <p>3 A Well, it was more than a start-up because we</p> <p>4 also had 15 years of technology that we owned and the</p> <p>5 company had spent historically over \$20 million on</p> <p>6 that technology, the eVF technology. So it was a</p> <p>7 little bit more than a start-up. But that's why I</p> <p>8 described it, J.P., as hitting the reset button.</p> <p>9 Q If you took away ABB revenue and you didn't</p> <p>10 generate any other revenue, what was the expected life</p> <p>11 expectancy of Braintech?</p> <p>12 MR. GREEVES: Objection. It assumes facts,</p> <p>13 and hypothetical.</p> <p>14 THE WITNESS: I -- I was hoping that it</p> <p>15 would carry on, because we had two things. We had a</p> <p>16 government contract, and I had a group of supportive</p> <p>17 shareholders. The LC providers, if you will. They</p> <p>18 kept funding the company.</p> <p>19 BY MR. MURPHY:</p> <p>20 Q If there were no other customers around</p> <p>21 after ABB came to an end, the situation would be</p> <p>22 terminal to Braintech, correct?</p>	324	<p>1 start?</p> <p>2 THE WITNESS: How much time do we have left?</p> <p>3 MR. GREEVES: Yeah.</p> <p>4 MR. MURPHY: 3 hours.</p> <p>5 MR. GREEVES: Do you want to start at 9:00?</p> <p>6 THE WITNESS: Can we just finish tonight?</p> <p>7 MR. MURPHY: (Shaking head.)</p> <p>8 THE WITNESS: If I can talk her into</p> <p>9 staying, will you?</p> <p>10 MR. MURPHY: No.</p> <p>11 THE WITNESS: Okay.</p> <p>12 MR. GREEVES: So tomorrow morning. Is</p> <p>13 Mr. Shafi going to be available to us tomorrow?</p> <p>14 MR. MURPHY: He will be here.</p> <p>15 MR. GREEVES: Okay. I get this chameleonic</p> <p>16 answer now three times. When I get the third "he'll</p> <p>17 be here," I have to ask, what reason would it be that</p> <p>18 he would not be available to resume and complete his</p> <p>19 own deposition tomorrow?</p> <p>20 MR. MURPHY: I haven't made a final decision</p> <p>21 on that yet. Our deal was if I needed extra time, we</p> <p>22 would consider giving you extra time.</p>

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325	<p>1 MR. GREEVES: Is that what we said?</p> <p>2 MR. MURPHY: Yeah. And I'll go back and</p> <p>3 review the transcript.</p> <p>4 MR. GREEVES: I have it here. Why don't we</p> <p>5 do that before you leave for tonight. Because if --</p> <p>6 if your deal is going to change, my deal might change.</p> <p>7 Since I have it here, we'll just take a look at it.</p> <p>8 This is where we left it. This is what you</p> <p>9 said on the record, the last statement you made:</p> <p>10 "It's my understanding that we've reached the point</p> <p>11 where Mr. Greeves has to go due to timing</p> <p>12 considerations, and I'm going to reserve any redirect</p> <p>13 questions that I have of Mr. Shafi. And if necessary,</p> <p>14 we'll reconvene this deposition at a later date. And</p> <p>15 we have agreed to reasonable timing. For example, if</p> <p>16 I take a half an hour for redirect, we'll allow an</p> <p>17 hour for recross. We've also agreed that we might</p> <p>18 make Mr. Weidinger's deposition subject to the same</p> <p>19 sort of agreement. That if I reach a point where I</p> <p>20 get to 10 hours or so and I need a little more time,</p> <p>21 we may revisit this agreement and impose the same</p> <p>22 agreement on Mr. Weidinger."</p>	327	<p>1 MR. MURPHY: I'll be here at 9:00 a.m.</p> <p>2 MR. GREEVES: Okay. Hopefully we'll hear</p> <p>3 from you before then.</p> <p>4 (Whereupon, at 6:00 p.m., the deposition of</p> <p>5 FREDERICK WEIDINGER was adjourned to be</p> <p>6 reconvened at 9:00 a.m. on Tuesday,</p> <p>7 September 14, 2010.)</p> <p>8 * * * * *</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p>
326	<p>1 And then we kind of said that's fine.</p> <p>2 So I kind of had assumed that we were going</p> <p>3 to have a little bit more time with your client</p> <p>4 tomorrow.</p> <p>5 MS. KOVAL: Well, and I just want to add I</p> <p>6 think that came after Mr. Shafi agreeing in his</p> <p>7 deposition that he would return for additional</p> <p>8 questions.</p> <p>9 MR. GREEVES: That's a good point.</p> <p>10 So I mean, I'm happy to give you 3 hours</p> <p>11 tomorrow, or frankly whatever you need. But I feel</p> <p>12 like in exchange for that, since Mr. Shafi is here,</p> <p>13 either one of two things is going to happen. We're</p> <p>14 going to finish up with him tomorrow or you're going</p> <p>15 to bring him back down here again and we're going to</p> <p>16 finish up with him then.</p> <p>17 MR. MURPHY: I'm going to think about it.</p> <p>18 MR. GREEVES: Can you let me know tonight so</p> <p>19 I can tell you what we're going to do tomorrow?</p> <p>20 MR. MURPHY: What are you going to do, not</p> <p>21 produce Mr. Weidinger?</p> <p>22 MR. GREEVES: I'm going to think about it.</p>	328	<p>1 CERTIFICATE OF NOTARY PUBLIC</p> <p>2 I, VICKY REINER, the officer before whom the</p> <p>3 foregoing deposition was taken, do hereby certify that</p> <p>4 the witness whose testimony appears in the foregoing</p> <p>5 deposition was duly sworn by me; that the testimony of</p> <p>6 said witness was taken by me in stenotypy and</p> <p>7 thereafter reduced to typewriting under my direction;</p> <p>8 that said deposition is a true record of the testimony</p> <p>9 given by said witness; that I am neither counsel for,</p> <p>10 related to, nor employed by and of the parties to the</p> <p>11 action in which this deposition was taken; and,</p> <p>12 further, that I am not a relative or employee of any</p> <p>13 counsel or attorney employed by the parties hereto,</p> <p>14 nor financially or otherwise interested in the outcome</p> <p>15 of this action.</p> <p>16</p> <p>17</p> <p>18 _____</p> <p>19 VICKY REINER</p> <p>20 Notary Public in and for the</p> <p>21 Commonwealth of Virginia</p> <p>22</p> <p>My commission expires:</p> <p>December 31, 2011</p> <p>Registration No. 7117657</p>

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<div>1 ACKNOWLEDGEMENT OF DEPONENT</div> <div>2</div> <div>3 I, FREDERICK WEIDINGER, do hereby acknowledge I</div> <div>4 have read and examined the foregoing pages of</div> <div>5 testimony, and the same is a true, correct and</div> <div>6 complete transcription of the testimony given by me,</div> <div>7 and any changes or corrections, if any, appear</div> <div>8 in the attached errata sheet signed by me.</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18 _____</div> <div>19 Date FREDERICK WEIDINGER</div> <div>20</div> <div>21</div> <div>22</div>	<div>1 Capital Reporting Company</div> <div>1821 Jefferson Place, N.W.</div> <div>2 Third Floor</div> <div>Washington, D.C. 20036</div> <div>3 (202) 857-3376</div> <div>4</div> <div>5 ERRATA SHEET</div> <div>6 Case Name: Braintech, Inc. vs. Shafi vs. Weidinger</div> <div>7 Witness Name: FREDERICK WEIDINGER</div> <div>8 Deposition Date: September 13, 2010</div> <div>9 Page No. Line No. Change</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22 _____</div> <div>Signature Date</div>
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<div>1 Geoffrey J. Greeves, Esq.</div> <div>Pillsbury Winthrop Shaw Pittman, LLP</div> <div>2 2300 N Street, N.W.</div> <div>Washington, D.C. 20037</div> <div>3</div> <div>4 IN RE: Braintech, Inc. vs. Shafi vs. Weidinger</div> <div>5 Dear Mr. Greeves:</div> <div>6 Enclosed please find your copy of the</div> <div>7 deposition of FREDERICK WEIDINGER, along</div> <div>8 with the original signature page. As agreed, you</div> <div>9 will be responsible for contacting the witness</div> <div>10 regarding signature.</div> <div>11 Within 21 days of receipt, please forward</div> <div>12 errata sheet and original signed signature page to</div> <div>13 counsel for Adil Shafi, James P. Murphy.</div> <div>14 If you have any questions, please do not</div> <div>15 hesitate to call. Thank you.</div> <div>16 Yours,</div> <div>17</div> <div>18</div> <div>Vicky Reiner, RMR, CRR</div> <div>19 Reporter/Notary</div> <div>20</div> <div>cc: James P. Murphy, Esq.</div> <div>21 Susan D. Koval, Esq.</div> <div>22</div>	

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